

Fourth International

Wallace and the War Makers

By William F. Warde

—TWO ARTICLES—

By Ernest Germain

- 1. Second Year of the Post-War Economic Crisis in the USSR**
- 2. Stalinism—How to Understand It and How to Fight It**

STALIN'S GUILT

By Natalia Sedov Trotsky

MAY DAY 1947

Manifesto of the Fourth International

May 1947

25 Cents

Manager's Column

Many welcome letters from our subscribers and agents have come in during the four months that this column has been devoted to material concerning FOURTH INTERNATIONAL's subscription campaign. We feel sure that all our readers will enjoy reading these letters.

Mrs. A. C. of Bismarck, N. D., writes: "Enclosed please find \$1 for four extra copies of the October, 1946, FOURTH INTERNATIONAL. That article by Li Fu-jeu, 'The Vatican In World Affairs,' interests me very deeply. I want to send the copies to my friends. I was raised in the Catholic faith and that write-up is worth a year's subscription itself. Send them as soon as possible. I read the *F.I.* regularly and THE MILITANT paper too. My son has books that are published by you. Keep up your good work."

* * *

W. L. of Lorain, Ohio, also comments about Li Fu-jeu's article in the October, 1946, issue of FOURTH INTERNATIONAL: "I wish to renew my subscription for another year. I still get a big thrill and am always on the look-out for its arrival. It would be very hard for me to decide which issue I have enjoyed most as they are all chockfull of news. The recent write-up on 'The Vatican In World Affairs' was excellently compiled. The writer remarked that there is 'mountains' of evidence to support his contentions. I know that it would require too much space to cover, but I'm sure that many readers of FOURTH INTERNATIONAL would not only enjoy the material but would perhaps be amazed at the intrigue of the clerico-politico schemes emanating from the seat of religion. So what about it sometime, eh?"

* * *

D. P. of Boston, Mass., requests that we send him "two copies each of FOURTH INTERNATIONAL for December, 1945, and January, 1946; also one copy for February, 1946. These issues," he explains, "contain articles by T. Cliff on the Middle East. If you have other articles by him on the same subject, can you send me two copies of each?"

* * *

"The Philadelphia comrades," says Irene Fitzgerald, "watch for opportunities to push *F.I.*'s carrying articles of particular interest to certain groups. Recently, a large demonstration was called by the Jewish organizations of Philadelphia. The only slogan permitted by the parade marshals was 'Down With British

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Terrorism. We did not consider it politically correct to participate, but we sent down four comrades to sell the *F.I.* to the marchers. Twenty-seven back issues, with articles on the Jewish question, were sold and the comrades could have used many more."

J. Lang, our Pittsburgh agent, requests that we "send two copies of the September, 1946, issue of FOURTH INTERNATIONAL. We have some friends here who want to read Warren Creel's article, 'The Problem of Inflation and the Function of the OPA.'"

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M. M. of Boston, asks that we send him a copy of the March, 1947, issue containing Warren Creel's article on the "Nathan Report."

* * *

T. S., a subscriber in Cleveland, writes: "I am preparing a talk on the coal strike for this Sunday. E. R. Frank wrote a couple of articles on the coal miners in the *F.I.* during the war. If you have individual copies of the *F.I.* which contain E. R. Frank's articles, will you be kind enough to mail them airmail to me at once." (The articles referred to appear in the April and June issues of 1943, under the titles, "John L. Lewis and Roosevelt's Labor Policy" and "The Coal Crisis and Its Lessons for American Labor.")

* * *

Our Chicago agent ordered more copies of the March issue. "We sold out completely and have none for our files," B. Rosen explains. "We have concluded the final (and unofficial) week of the *F.I.* campaign with a total of 75 subs to the *F.I.* Even though the campaign itself is over, we shall keep the subs to the *F.I.* coming to New York."

* * *

A. L. of New York City requests that we send a sample copy of FOURTH INTERNATIONAL to five persons in New York and Penna.

* * *

D. J. of Jarrow, England, writes: "Your monthly magazine, FOURTH INTERNATIONAL, was lent to me by an English Party member and was accidentally destroyed while in my care. I thought that the quickest way of having it replaced was to write to you and send the money value of the magazine. . . . The magazine in question is the October issue, 1946."

* * *

E. M. L. of Ogdensburg, N. Y., comments about the *F.I.*: "I enjoy reading your magazine very much and get much news and many facts from it. This will all be useful to me for future study and future literary work."

* * *

The following back issues of NEW INTERNATIONAL are urgently needed for binding:

1934—July.

1935—Jan., March, May.

1938—Jan., Feb., March, Nov.

1939—Jan., June, Oct., Nov.

1940—Feb.

If you have one or more copies of any issue listed above, will you please send them to FOURTH INTERNATIONAL, 116 University Place, New York 3, N. Y.

FOURTH INTERNATIONAL

VOLUME 9

MAY 1947

NUMBER 5

May Day, 1947

A Day of World Struggle For Bread, Peace and Socialism!

Manifesto of the Fourth International to the Workers of the Entire World

The First of May, the day of international labor solidarity, was born as a day of struggle for working class aims. The fighting traditions of May Day have survived the Fascist butchers who sought to usurp it. It will survive the treacherous reformist and Stalinist leaders who seek to impose upon the proletariat, in one country after another, a "social peace" of submission to the capitalist masters.

The First of May 1947 finds the workers and the oppressed of the entire world once again engaged in battle to cast off the yoke of their exploiters. After so many years of dictatorship and famine, the *German* proletariat has taken to the streets once more to demand the bread which is being kept from it. In *Italy* and *Japan*, mass demonstrations follow one upon the other without interruption, to fight against the plague of the high cost of living and of unemployment. In *Greece* and in *Spain* courageous working class fighters have taken up arms to defend themselves against regimes of abject dictatorship. In *China* and in *India* powerful waves of strike struggles are linked up with the revolutionary movements for national and social emancipation. *In a whole series of colonial countries*, the anti-imperialist struggle has taken on the form of open revolt against the regimes of blood and hunger. Even in the *United States*, whose imperialists plan to dominate the entire earth, hundreds of thousands of workers are showing by their militant class actions that the tradition of May Day remains more alive than ever in the country where it was born 61 years ago.

But May Day 1947 also finds agonized humanity still in quest of peace, two years after the formal end of the war.

The imperialist Allies and the USSR have crushed Nazi Germany completely. But on the very day after their common "victory," the deep antagonisms dividing them and pitting them against each other broke out into the open with full force. SPURRED ON BY THEIR OVERWEENING CAPITALIST DEVELOPMENT, THE UNITED STATES HAS EMBARKED UPON A FRENZIED COURSE OF IMPERIALIST EXPANSION THROUGHOUT THE ENTIRE WORLD. Possessing a productive apparatus which has doubled its already enormous pre-war potential, wallowing in wealth and armed with the apocalyptic Atom Bomb, Yankee imperialism is striking out madly for world domination in an effort to postpone the coming economic catastrophe which threatens to be even more devastating than that of 1929, the memories of which are constantly haunting it.

American imperialist expansion is taking on new and com-

plex forms. The capital, the industrial and agricultural products of the United States remain the arsenal in which the capitalist countries famished, ruined and debilitated by the imperialist war continues to stock up. From Japan to Turkey, from Greece to Great Britain, American aid in the form of loans, of machinery, coal or wheat shipments becomes a life-and-death question for the bourgeoisies of these states.

The chasm between their own weakness and Yankee power has become tremendous. Beside this power England, the proud Albion of times past, the only other important capitalist power of world importance that remains, cuts the figure of a poor relation enjoying an entirely ephemeral state of grace thanks above all to the American loan granted her and to the momentary absence of genuine competition from the United States on the world market. Washington has become the new Mecca for all the capitalist ministers, who wander there imploring urgent aid to avoid either an immediate or an approaching disaster for their shaken economies.

Impelled inexorably onto the road of brutal intervention in all parts of the world, the United States has thus gone forward by leaps and bounds to a position which no longer corresponds to the dynamics of its development. The Monroe Doctrine, Pan-American isolationism, "peaceful" penetration of the world's markets, "Big Four Friendship" and the "United Nations" spirit have now given way to the "Atomic Diplomacy" inaugurated by Byrnes and most clearly formulated in the March 12, 1947 speech of President Truman before the American Congress.

This "Atomic" diplomacy and the "Truman Doctrine" which covers it are the most cynical proclamation of the aims of world domination of American imperialism and its open crusade against the USSR and Communism. Within the short space of the last few months it has succeeded in creating a veritable war atmosphere, and to stage a gigantic, concerted anti-Soviet and anti-Communist campaign all over the world.

Yankee imperialism is today the rallying center of the darkest forces of reaction in the whole world. Under the deceitful cloak of defending "democracy" threatened by the new Russian "totalitarianism" Washington allies itself with Hirohito and the feudal-capitalist caste in Japan against the onslaught of the Japanese masses, arms Chiang Kai-shek in China and launches his troops against Yennan, consolidates the dictatorships in Iran and in Turkey, upholds in Greece the reactionary monarchy of Tsaldaris-Maximos, intrigues with its accomplices at the Vatican in Italy, bolsters up de Gaulle in France.

In the United States itself, reactionary drives against trade union and political freedom are being sharpened: Anti-labor legislation is being adopted by the new Republican majority in Congress, plans are on foot to outlaw the Communist Party, a frenzied red-baiting campaign is being unleashed by the press, the radio, the political personalities and trade union leaders in the pay of Washington and the American trusts.

This whole policy aims at the present stage to open up for American imperialism the markets blocked in Europe and in Asia by the occupation and control of the USSR as well as the market which the latter itself constitutes.

The USSR, dominated as it is by the Soviet bureaucracy, appears ever less capable of seriously countering this concerted pressure of economic, political and military means employed by Yankee imperialism.

Only revolutionary mobilization of the masses can effectively counter-act this pressure. But the latter are systematically paralyzed, sabotaged and betrayed by the policy of the Communist parties, dictated by the Kremlin which, representing the bureaucratic regime in the USSR, has also become more and more of a brake upon the economic development of this country. The Soviet bureaucracy is at present grappling with ever growing economic and social difficulties in the USSR itself as well as in the countries which it controls in Europe and in Asia. Despite all its pillage and all the reparations levied upon the production of the countries under its occupation, its economy, ravaged by the war, recovers only slowly, altogether out of proportion with the immense economic power of American capitalism.

The bureaucratic police methods with which the privileged caste of administrators rules the planned economy and the Russian state, and upon whom the masters of the Kremlin rest, have destroyed all enthusiasm among the Soviet masses, lowered the productivity of labor, disorganized the economy and wasted away the national wealth.

The Soviet Union entered the second world war in a state of latent crisis, which became evident especially in the lowering of labor productivity. The consequences of the war, the reinforcement of the bureaucratic regime, have accentuated the factors of disorganization, which can be checked only by the initiative and control of the masses in all spheres of social life.

The truth is that under the present regime of the Soviet bureaucracy, the USSR is heading for an inevitable economic and social crisis which imperialism will seek to exploit in order to put an end at the same time to whatever still remains of the conquests of October 1917: the nationalization of property, the planned economy and the monopoly of foreign trade.

On the other hand, the belief nurtured by Stalinism among the toiling masses of the capitalist countries, that slowly but surely the road to socialism is being paved in the countries occupied or controlled by the USSR by means other than that of the proletarian revolution, is nothing but a deceitful myth.

The truth is that in spite of conditions entirely favorable for the abolition of the capitalist system and the seizure of power by the proletariat, which existed in all these countries at the conclusion of the war, the capitalist class has not really been expropriated nor has any part of the state power come into the hands of the workers and peasants either in Poland, or in Czechoslovakia, or in Rumania, or in Bulgaria, or in Yugoslavia.

In all of these countries many capitalist stockholders of the "nationalized" enterprises thrive upon the compensation allotted them, invest the latter in other private enterprises, while

venal politicians and reactionary generals like the Tatarescusi and Georghieffs rub shoulders in their ministerial seats with the "authentic" representatives of the so-called "Communist" parties.

In all of the other capitalist countries these Communist parties, upon whom was concentrated the boundless hopes of millions of workers and peasants during and after this war, the hope of finally ridding themselves of the whole bloody chaos of capitalism, have obeyed only the twists and turns of the international politics of the Soviet bureaucracy in quest of alliances and compromises with the bourgeoisie.

On the morrow of the war, in most of the countries of Europe and the colonies, the power of the bourgeoisie and of imperialism was entirely fictitious. But the Communist parties chose the path of ministerial seats rather than that of revolutionary leadership at the head of the masses' assault upon the ruined citadels of capitalism. Due to their sense of "national duty," which in every case violated their most elementary class duty, they have pushed the proletariat along the road of patching up capitalism, of reestablishing the bourgeois state, of increasing capitalist production in France as well as in Italy, in Belgium and elsewhere.

The economic revival which we have witnessed here and there in some of the capitalist countries is due mainly to the sacrifices imposed upon the working class by the Stalinist leaders. Held in check by the trade union apparatus controlled by the reformists and Stalinists, the working class has resisted only sporadically against the continued pressure of the bourgeoisie and the latter has thus been encouraged to step up its economic offensive everywhere.

But while the capitalists are accumulating substantial profits, nowhere has the proletariat been able to profit from "national reconstruction." On the contrary, the workers' standard of living has everywhere fallen under the impact of the rising prices, the devaluation of the currency, the wage freezes and the food rationing.

And while bourgeois reaction little by little regains self-confidence and plots to return once more to the "strong" regimes prevalent before the war, the Communist parties are more disoriented than ever. After the whole long series of disillusionments and "betrayals" they have experienced constantly from all their "democratic" and "anti-Fascist" allies, from Churchill to de Gaulle, they pursue a hand-to-mouth policy without a program and without perspective.

Clamped in a vice between the growing pressure of American imperialism and the reactionary demoralizing politics of Stalinism, which are the product of the advanced bureaucratic degeneration of the USSR, the world is today disintegrating amidst prolonged agony, amidst convulsions and crises that lead inevitably to the third apocalyptic war of the Atomic era. It is necessary to open up once more before toiling mankind the perspective of the socialist revolution which remains more than ever the only road for humanity as it is engulfed by the quicksands of capitalist decay and the degeneration of the USSR.

The proletariat must take its fate into its own hands. It must liberate itself from the disastrous reins of the agents of imperialism as well as those of the Soviet bureaucracy. The emancipation of the workers must become in the fullest sense of the words, "the task of the workers themselves."

The labor movement must learn to conquer with its own strength and by its own methods the gangrene of Stalinism, the grave-digger of the October Revolution and of the socialist

world revolution, if imperialism is not to launch the new war which is to throw back humanity inevitably into barbarism.

The proletariat and the exploited masses of the entire world remain an inexhaustible source of revolutionary energy.

By their incessant class battles during the final phase of the war and on its morrow, the masses in Europe as well as in America and in the colonies gave striking proof once more of their fierce desire to tear themselves loose from the capitalist inferno—confounding all the Cassandras, all the petty-bourgeois pessimists and skeptics of every sort who accuse the proletariat of having lost its revolutionary dynamism and who have grown doubtful of its historic mission to lead humanity towards socialism.

The responsibility for the defeats, for the disorientation of the struggles, for the lack of perspective, falls exclusively upon the shoulders of the traditional leaderships of the labor movement, upon the reformists and the Stalinists who by their opportunist politics and petty-bourgeois cowardice in the face of capitalism have checked, paralyzed and led to final defeat every great revolutionary assault of the masses.

Millions of men and women have come to the revolutionary movement in the course of the war. But, as in the past, they are up against their own conservative, bureaucratic leaderships.

The present crisis of human civilization is the crisis of the proletarian leadership, the Fourth International declared at its birth. This remains truer than ever. In order to prevent the precipitation of humanity once more into the cycle of reaction, Fascism and war, it is necessary for the advanced workers to rally around the Fourth International and its program based upon the whole international experience of the emancipating struggle of the proletariat and all the oppressed.

Back to Lenin and the class politics of revolutionary socialism, in order to avoid disaster! Humanity can save itself only by means of socialism, through the work of a labor movement freed from the reins of the perfidious agents of imperialism and degenerate Stalinism.

Workers and peasants of all capitalist countries!

Organize, broaden, generalize your struggle for a decent standard of living against the increased exploitation of capitalism!

Unite in unrelenting class struggle against the new threats of Fascism and war!

Break with your reformist and Stalinist leaderships who are systematically paralyzing your class struggles and will inevitably lead you once again toward defeats!

Unite for the freedom of the colonial peoples, for their complete independence, against the tyranny of imperialist domination!

Unite for a peace without annexations, without reparations, without the imposition of slavery upon any people, within the framework of the United Socialist Soviet States of Europe and of the World!

Workers and Peasants of the Soviet Union!

It is necessary to overthrow the Bonapartist Stalinist bureaucracy and to insure the democratic and socialist regeneration of the USSR in order to achieve new economic progress, to defend what remains of the conquests of October from the threatening imperialist war.

Workers and Peasants of Czechoslovakia, Poland, Rumania, Bulgaria, Yugoslavia!

The victory of the proletarian revolution is impossible without a concerted struggle against the bourgeoisie, against the remnants of the semi-feudal castes, against the politics of the Communist parties who share the power with the representatives of these reactionary classes and subordinate all their actions to the directives of the Soviet bureaucracy.

Colonial Peoples!

Your emancipating struggle against the yoke of imperialism and against every regime of exploitation can succeed only if it is led under the banner of the socialist proletarian revolution and fraternal union with the world working class, for the victory of the international socialist revolution.

LONG LIVE THE FOURTH INTERNATIONAL!

LONG LIVE THE SOCIALIST WORLD REVOLUTION!

LONG LIVE THE SOCIALIST SOVIET UNITED STATES OF THE WORLD!

—The International Secretariat of the Fourth International (World Party of the Socialist Revolution).

May 1, 1947.

Wallace and the War Makers

By WILLIAM F. WARDE

Just as a person's character is often shown by his behavior on minor matters before he is submitted to a major test, so the real nature of a government's policy may reveal itself in a striking incident long before its full implications are unfolded. This is the case in the furore stirred up by the capitalist press and Wall Street's representatives in Washington around Henry Wallace's condemnation of the Truman-Marshall proposals for Greece and Turkey. The extraordinary volume of vituperation let loose upon the former Secretary of Commerce betrays the uneasy conscience of Wall Street's political representatives in their evil conspiracy to subjugate the world by armed force and drag mankind into the most horrible of imperialist wars.

At first the administration attempted to dismiss Wallace's criticisms and the capitalist press played down his speeches. President Truman held out an olive branch to the former Vice-President, saying that he had no desire to exclude him

from the Democratic Party and predicting that Wallace and his co-thinker, Senator Pepper of Florida, would support the 1948 Democratic ticket.

But no sooner did Wallace go abroad than this silent or "soft" treatment was discontinued. Then, in a concerted campaign, all the wrath of Washington and Wall Street began to descend upon his head. The House Committee on Un-American Activities urged that Wallace be prosecuted under the Logan Act of 1799 for "criminal correspondence with foreign governments . . . to defeat the measures of the government of the United States." This law was enacted when the Federalist-capitalist reaction of an earlier century was seeking to throttle opposition to its contemplated war with France. Others demanded that Wallace's passport be revoked and Congress censure him.

Senators of both parties took turns in abusing Wallace. Republican Senator Vandenberg referred to him as an "itinerant

saboteur" and denounced his appeals to the American and European peoples as "a shocking thing." Fulbright, the Democratic Senator from Arkansas, declared that: "His speech sounded as though it had been written in the Kremlin." Washington resounded with cries that Truman publicly repudiate Wallace. In response, Truman's Attorney-General, Tom Clarke, said in Philadelphia, "Anyone who tells the people of Europe that the United States is committed to ruthless imperialism and war with the Soviet Union tells a lie." This warlike chorus was rounded out when the prime projector of the current anti-Soviet crusade, Winston Churchill, seized the occasion to call Wallace a friend of the "crypto-Communists."

What accounts for this violent and hysterical campaign, these frantic and furious efforts to discredit Wallace rather than answer his arguments? What is the meaning of these obviously trumped-up accusations that the former Vice-President is acting like the agent of a foreign power? The vindictiveness of the imperialist spokesmen stems from their fears that Wallace's attacks will serve to expose their truly monstrous designs. The administration planned to spring its proposals suddenly and speed them through Congress before the American people were aware of their real meaning and opposition could be organized. On the pretext that Britain's contemplated "withdrawal" created an emergency in Greece, Truman insisted that Congress act before March 31. The whole propaganda machinery was mobilized to whip up an artificial crisis atmosphere.

Growing Mass Opposition

But as the ominous significance of the Truman doctrine and the extent of its commitments to imperialist intervention on a world scale became plainer, wide-spread opposition began to manifest itself. The tremendous uneasiness among the people regarding the Truman policy was indicated by newspaper and radio polls which, despite the deluge of government-inspired propaganda, showed majorities in favor of action through the United Nations.

This mass resistance delayed Senate action on the proposals beyond the deadline fixed by Truman. Even so thorough a reactionary as Republican Senator Albert Hawkes of New Jersey protested to Vandenberg: "The people of the United States have not had a chance to consider this thing. If the Senator does not believe what I am saying, let him go out through the country and hear what I am hearing."

The hue and cry against Wallace coincided with this growing pressure of mass opposition on Washington. On April 14 the *New York Times* cautioned Truman against punishing Wallace because "the principal effect of trying to muzzle Mr. Wallace would be to suggest to many deeply interested foreigners that the United States government has reason to fear what Mr. Wallace is saying." Indeed, Washington was worried less by repercussions abroad than by the rising resistance at home. It feared that Wallace's warnings would further arouse the American people against its militarist moves and Wallace himself thus become a rallying point for the vast anti-war sentiment within the country.

The representatives of the rich in the driver's seat at Washington are in no mood for conciliation. They are determined to sweep aside any and all obstructions to their course of imperialist aggression. They are prepared to stigmatize the mildest critic as a traitor to the country if he does not keep in step with Wall Street. They will stamp anyone who hesitates to line up 100 per cent with their war program as a "red" or a stooge for the "Communists."

All Wallace asks is a little of that democracy which Tru-

man is supposedly upholding against Russian totalitarianism. But evidently the Truman brand of democracy is for export purposes only; there is to be little left to enjoy at home. Wallace and his associates are now getting a foretaste of the authoritarian terror U.S. Big Business has in store for even the most loyal opposition.

In their march toward war the American plutocracy is striving to create an atmosphere in which the official policy of the capitalist rulers alone will hold sway and all "dangerous thoughts" will be banned. The years preceding World War II witnessed a sharp debate within the ruling circles of American capitalism between the interventionists and isolationists. Today even tactical differences between Truman and Wallace over whether or not American imperialism should use the UN as a cover for its policies cannot be tolerated. Official opinion must be uniform and coordinated as it was under Hitler, the Mikado or Mussolini. The American bourgeoisie feels it can no longer afford the luxury of conflicting views in full sight of the public. This shows how far along the road toward military despotism the mind of Wall Street has already proceeded.

This is the most ominous aspect of the effort to gag Wallace, who was until recently a prominent figure in the government. The incitement against the former Vice-President also shows how far the Democratic Party has swung in an ultra-reactionary direction. Wallace was dumped from Truman's cabinet when he complained about the first signs of the "get tough with Russia" policy announced by Secretary of State Byrnes at the Paris Conference.

Now, only a few months later, with the unfurling of the Truman-Marshall doctrine, Wallace is being treated as though the nation were on the verge of war with the Soviet Union. He, too, has become a victim of the Big Business-inspired inquisition. His persecution is simply one of the most extreme expressions of the red-baiting drive which is sweeping through the labor movement and over the entire country. The witch-hunt which ostensibly began with the Communist party has widened to embrace any dissident individual, no matter how prominent or loyal to the fundamental interests of capitalism.

This vindictive handling of Wallace underscores the fact that the decisive section of America's ruling class has resolved to remove anybody blocking their scheme for world subjugation. They want to pillory Wallace as a warning for other objectors to fall into line before they feel the sting of Wall Street's whips.

What They Really Fear

The imperialists are not incensed, as they pretend, over the fact that Wallace criticized his government in foreign lands. After being booted from office by the British workers, Winston Churchill came to the United States and gave the signal for the crusade against the Soviet Union. President Truman stood by his side in silent approval a year ago at Fulton, Missouri and there were no outcries in the paid press then. It is the policy they champion and the interests they serve that determine Washington's friendly attitude towards the Tory Churchill, on the one hand, and their hostility towards Wallace, on the other. Churchill, the hardened imperialist butcher, was on the war-path against the "reds." Wallace must be chastised and excommunicated because he dares question Washington's mad plunge toward a new world slaughter.

What has Wallace said that so enraged the monopolists and militarists? His comments were in fact rather mild.

He wondered why the administration which claims it cannot intervene to free Spain from Franco is so anxious to act

on behalf of the dictatorships in Greece and Turkey. He asked why UNNRA was scuttled if the real purpose of Truman's proposals was to feed the hungry, not to arm tyranny. He showed how Truman's imperialist course encouraged fascist-minded elements and strengthened witch-hunting at home. He called for an end to the fake crisis atmosphere in which "facts are withheld, time is denied, hysteria whipped up." He pointed out how the Truman doctrine could only split the world into two antagonistic power blocs and lead to war between the United States and the Soviet Union.

These points ring true and they have struck responsive chords among the American people who fear atomic war and mistrust the motives behind Truman's proposals. Wallace proposes that the U.S. government advance its aims through the UN, and not outside it. His position is set forth in the Pepper-Taylor-Blatnick resolution which excludes Turkey and proposes to turn over the problem of aiding Greece to the UN by setting up a \$250,000,000 fund for relief and rehabilitation.

This kind of action can obtain readier approval from the people who retain illusions about the UN as a preserver of peace and do not yet understand that this organization is no less an instrument of oppression than the government itself. Wallace and Pepper prefer to route American foreign policy through the UN as a pledge of "Big Three" unity. They want to perpetuate the wartime line of coalition and conciliation with the Kremlin as the best way to benefit business interests and avert a headlong clash with the Soviet Union.

But their policy is outmoded; it no longer conforms to the needs and outlook of America's ruling class. Now that Germany and Japan have been crushed, the revolutionary threat from the European workers is temporarily forestalled, and the Soviet Union placed on the defensive, Wall Street is proceeding to the next stage in its master plan for world conquest. The period of appeasing Stalin has given way to the phase of tightening encirclement and relentless pressure upon the USSR.

Wall St.'s New Orientation

American Big Business is not today concerned with winning World War II as in the days of Teheran but in setting the stage for World War III. That means it must take the measures required to eliminate the influence of the Kremlin and its agencies as steps toward destroying the nationalized property, the monopoly of foreign trade, and planned economy within the Soviet Union itself.

For these purposes Washington needs vassalized capitalist regimes in Europe and Asia released from Stalinist domination and from direct pressure by the masses. That is why de Gaulle has timed his reentry on the political scene with the proclamation of the Truman doctrine. That is why Washington props up Franco and Salazar, woos Peron, and proposes to subsidize the Turkish and Greece dictatorships as well as Chiang's blood-soaked tyranny.

The administration does not want to be trammelled by the UN which restricts its freedom of operation. Washington has far more extensive plans for military intervention than it deems expedient to divulge at the moment. The program of world domination implicit in the Truman-Marshall doctrine is being doled out in installments to the American people.

American imperialism is now obliged to discard the mask of pacifism it formerly assumed in world politics for the same reasons that it must abandon the pretense of liberalism at home. Driven by the irresistible urge toward world mastery, Washington must lean upon the most counter-revolutionary forces, ride roughshod over all opposition, and press forward

by brute force on all fronts. That is why the Senators repeat in the spirit of the Roman Cato: "Communism must be destroyed." And that is why Wallace has become so hateful in their eyes.

As the outstanding representative of the forlorn New Deal Democrats, Wallace still imagines himself to be in the vanguard of progress. But from the standpoint of the capitalist policy-makers he is an anachronism who straggles behind the march of events. The unabashed pirates in charge of the ship of state these days have little use for the services of New Deal reformers and dreamers. For their predatory plans they need ruthless men and methods: militarists who know how to push through schemes for plunder and subjugation abroad and men of the trusts to promote their undemocratic and anti-labor activities at home.

But Wallace, protest his supporters, is the genuine inheritor of Roosevelt's mantle; Truman is an imposter who became President by accident and then betrayed the Roosevelt tradition. This is the favorite theme of the Stalinists who cling for salvation to Wallace's trousers and clamor for a return to the Big Three Unity policy of FDR.

Wallace, however, can lay claim only to one part of Roosevelt's heritage. It must be remembered that Roosevelt not only collaborated with Moscow; he was also ready to break off relations and support war against Russia at the time of the Soviet-Finnish war in 1939-1940. Roosevelt dealt with the Kremlin as it suited the aims of Wall Street's foreign policy at the given stage. In this sense it is Truman, and not Wallace, who is today carrying forward the Roosevelt tradition.

The whole wisdom of the liberals, the union bureaucrats and the Stalinists consists in deciding which representatives of the capitalist class they and the workers should follow. On this score they are now split. One section, organized around the Americans for Democratic Action and influenced by the Social Democrats, has lined up behind Truman. The other grouping, centered around the Progressive Citizens of America and backed by the Stalinists, pins its hopes upon Wallace and Pepper. (For symmetry, both have a member of the Roosevelt family for adornment, the first has Eleanor and the second has Elliot.)

Despite their differences, both of these camps agree that American workers have no alternative but to place their trust in one or the other of these sets of capitalist politicians.

Dangerous Demagogues

Let us see how much Senator Pepper can be relied upon to fight against the war danger. He has no fundamental disagreement with Truman's aims; he merely prefers to see them realized through the UN. He said as much during the Senate debates. "No man on this floor has shown better than the Senator from Florida," he remarked in self-justification, "in those two speeches in saying he would vote and do what he could to resist Russian aggression, and if it takes arms to do it through the United Nations he would support that objective in every possible way."

Caught between his loyalty to the plutocracy and the pressure of the people, Pepper has wobbled on this question. At first he stated that he intended to vote for Truman's proposals, and then announced that he would vote against. This is the vacillating savior Wallace suggests as the Liberal leader of the "third party." Pepper himself was the quickest to reject this proposition. "I have no idea of getting out of the Democratic Party," he responded. "We Democrats differ with each other sometimes in primaries but we don't leave the ancestral home." Thus, at bottom, nothing more is involved in the differences between Truman and Pepper than a division of labor

in deceiving the people, a family quarrel among fellow-Democrats which can be easily patched up.

Is Henry Wallace perhaps made of sterner stuff? On April 18 in a Stockholm interview he gave an apt description of himself: "I am not a Communist. I am not a Socialist. I am only an American capitalist—or as I told the House of Parliament in London—I am a Progressive Tory who believes it is absolutely essential to have peace and understanding with Russia."

It should also be added, however, that Wallace has zealously served Big Business for many years as Secretary of Agriculture, Vice-President, and Secretary of Commerce. He remains a staunch supporter of capitalism and its military machine as well as a member of the Democratic Party. For the time being, this millionaire has certain disagreements with the principal leaders of U.S. imperialism over the best means of coping with the problem of the Soviet Union. But these differences are only tactical and transitory. When the international situation becomes more critical, Wallace will turn up at the side of the Wall Street war-mongers, as he did throughout World War II.

His actual role is that of a dangerous demagogue, whose chief aim is to lull and deceive the masses by dangling an "alternative" course before them, while the war program is pursued unrelentingly.

None of these capitalist politicians can be depended upon in the fight against U.S. imperialism and its war program. When the squeeze comes, they will inevitably betray the interests of the people, desert the anti-war forces, and go over to the war camp. Pepper's vacillations show what can be expected in the future from these demagogues who exploit the honest anti-war feelings of the masses.

The struggle against the war danger is inseparable from irreconcilable struggle to get rid of the imperialist power at Washington which breeds war and profits from it. People like Wallace and Pepper who preach confidence in capitalism and its agencies can only lead the anti-war struggle to disaster. Only those who combat Big Business rule with a program of revolutionary socialist action can provide the American workers with the leadership they need in the fight against Wall Streets war plans.

Stalinism—How to Understand It and How to Fight It

By ERNEST GERMAIN

The undeniable increase in strength of the Stalinist movement throughout the world has provoked two different and equally disastrous reactions in the periphery of our International. The first of these tries to find some "bridge" to the Stalinist movements, with the worthy aim of "detaching" the masses from their leaders. It leads logically to an adaptation of day-to-day policy to Stalinist policy and ends by muddling the fundamental differences separating us from the Kremlin agents.

In practice such "adaptation" not only renders our movement more vulnerable to the Stalinist danger, but in the eyes of the masses robs it of all reason for existence. If the task of the revolutionary vanguard consists merely in friendly criticism of the Stalinist leaders, the masses will see no reason for the existence of the Fourth International as a separate movement on the political arena.

The other reaction, like the first, starts from a superficial exaggeration of the strength and stability of the Stalinist parties. Whereas the opportunists, in their efforts to adapt themselves to the obstacle of Stalinism, forget the fundamental orientation of our movement, the sectarians on this question sacrifice our fundamental orientation to the struggle *against* the obstacle. The practical actions which follow from this policy are as fatal as those flowing from the opportunist policy. They consist in sacrificing the interests of the proletariat to the "tactical" necessities of the struggle against Stalinism. The opportunist methods, both of the sectarians and of the conciliators to Stalinism, derive from a common error: an untenable theoretical position on the nature of the Stalinist parties and their apparent strength. That is why only through a correct analysis of the nature of these parties can a *principled* tactic be worked out on this question.

It is obvious to any attentive observer that the Stalinist parties contain *contradictory* elements. Where such elements

reach their polar opposites in certain of the Stalinist parties, they show up these contradictions all the more clearly. The French Communist Party has a million members, in their majority industrial and agricultural workers and unquestionably including the most militant sections of the French proletariat. On the other hand the Stalinist party of Catalonia (PSUC), which played the role of gravedigger of the Spanish revolution, combined sparse layers of backward workers with a hodge-podge of bureaucrats, adventurers and petty-bourgeois elements. Obviously no common denominator can be found for these two poles, even though they came together in general within a single party.

Furthermore, the present grows out of the past, even if with the help of surgical operations. In most cases the present-day Stalinist parties (the Polish PPR and the PSUC are exceptions) have arisen out of the Communist parties of yesterday, by way of a long line of mutilations and poisonings. This is not a figure of speech but a tangible reality, visible in the thousands of members in the Stalinist organizations who joined the party in the period before its degeneration, and visible in the mass of illusions in the consciousness of the masses on the "Communist" character of Stalinist policy.

Finally, even the degeneration of the Stalinist parties is not a uniform process. It appears rather as a growth in the *differentiation* of the numerous layers in the party. This degeneration has transformed *certain* layers into depraved assistant-hangmen and assassins; other layers have been led to adapt themselves to bourgeois society. The degeneration has opened wide the doors to careerist elements looking for a comfortable spot and adventurers out to achieve socialism for themselves. It has superimposed layers of intellectuals and functionaries on the initial layers of advanced workers, and peasant layers on the layers admittedly made up of uneducated workers. Some of these are corrupted to the core; others de-

moralized to the point of tolerating every sort of perfidy. But with the large majority of Stalinist workers the degeneration reveals itself simply in the passivity of their thinking, their temporary abandoning of a critical spirit, their docile submission to discipline and to orders from above. But these workers are neither corrupted nor disposed to accept corruption passively—otherwise the Stalinist leaders would not make such feverish efforts to hide their crimes from their own membership!

We can thus conclude that insofar as the Stalinist parties are made up in their majority of the better layers of the proletariat, insofar as their members believe them to be working-class parties and as they appear as such to the masses and to the bourgeoisie, they remain *working-class* parties. But they are profoundly degenerated working-class parties, which do not reflect in their structure, their program, their leadership or their political practice, the class consciousness of the proletariat carried to its highest expression.

When Stalinism as a whole is considered formally, it is difficult to separate what remains working-class and socialist from what is no longer such; hence the chronic headache of all sectarians in their search for the magic formula! But in practice the distinction is easier. We recognize that there is no longer anything socialist in a speech by Togliatti, for even the phraseology has lost its class stamp; but the workers in the Turin Federation who almost rebelled after the vote of the Stalinist deputies for Article 9 of the Constitution represent a fundamentally socialist reaction. *L'Humanité* is a laboratory for a score of Stakhanovists in collective poisoning; but if fascist gangsters should attack the *L'Humanité* offices tomorrow, even the Shachtmanites would defend these offices, arms in hand, alongside the Stalinist workers. How could such an attitude be explained if there were no longer anything working-class about the Stalinist parties? It is not customary in the working class movement, we believe, to meddle in the settling of accounts between rival "totalitarian" gangs. . . .

Reformist Bureaucracy and Stalinist Bureaucracy

The European reformist parties underwent a highly significant social transformation during the last two decades. Today they are composed in large part of layers of middle and upper functionaries, superintendents and professionals. Thus, with the exception of the Austrian SP and to some extent the Italian SP, they appear more and more as the legitimate heirs of the petty-bourgeois radical parties. A comparison of the *present-day* reformist and Stalinist parties is thus a more complex task than the simple comparison between the bureaucracies of the two parties. On the other hand, a comparison between the big reformist parties of the years between the two wars and the *present-day* Stalinist parties, which appear as their successors, will make it possible to throw further light on the question of the social and political nature of the bureaucracy of the Stalinist parties.

Historically, both these bureaucracies are privileged layers which attain socially advantageous positions on the backs of the proletariat. With privileges to defend—"a full and happy life"—the bureaucrats lose contact with the proletariat, abandon the defense of its historical interests and substitute for this the consolidation of their own privileges. This is expressed politically by their abandoning of revolutionary Marxism for an *unprincipled opportunism* which, be it said in passing, not only hastens the working class to defeat but also in the long run results in destruction of the privileges of the bureaucrats.

Up to this point the analogy is exact. The *difference* between the two bureaucracies appears when we examine the *source* of their privileges. Historically, the reformist bureaucracy issued out of the period of imperialist expansion, with its corruption of a large layer of the workers' aristocracy, who were filled with reformist illusions about the peaceful accumulation of "crumbs" until finally they would have the entire socialist "cake." It established itself in the entire machinery of the bourgeois "democracy," but primarily it constituted the top leadership of the powerful mass organizations that experienced a remarkable growth in this period: parties, trade unions, cooperatives, fraternal organizations, etc.

The Stalinist bureaucracy, on the other hand, is historically tied to the phenomenon of the Soviet bureaucracy, in the epoch of capitalist decay. It obtains its privileges through subsidies from the Kremlin and through the power of the Kremlin-controlled Stalinist parties in the bourgeois state. The degeneration of the Stalinist parties showed itself first in the formation of ruling cliques, with pliant spines, faithfully accepting orders and appointments from Moscow, and establishing themselves in the thousands of lavishly-paid posts in the parties, the publishing houses, "cultural" societies, etc. If therefore the historical function of the reformist bureaucracy consisted in *forcing* the proletariat into submission to the bourgeois "democratic" regime, the historical function of the bureaucracy of the Stalinist parties consists essentially in *utilizing* the proletariat within the framework of the Kremlin's foreign policy.

All this, however, only *poses* the problem, but far from exhausts it. The bureaucracy of the Stalinist parties cannot, indeed, utilize the proletariat except within the framework of existing class relationships. The subordination of the interests of the proletariat to the special interests of the Kremlin does not at all mean that these class relationships are replaced by a "three-cornered fight" of some special nature. When the Stalinist bureaucracy, for whatever diplomatic reasons, imposes on its parties a political line that leads the proletariat to defeat, it acts *in the interests of the bourgeoisie*, whether it wishes to or not. The counter-revolutionary intervention of Stalinism in Spain was inspired by complex diplomatic considerations of the Kremlin; it nonetheless led to the triumph of the *bourgeois* counter-revolution. The same is true of Stalinist intervention in China, Germany and elsewhere. Insofar as every defeat of the proletariat results in a strengthening of the bourgeoisie in its social relationships, the Stalinist bureaucracy has objectively worked in the interests of the imperialist bourgeoisie, just as did the reformist bureaucracy also, whatever the particular motivations may have been.

Moreover, the problem becomes more complicated as the Stalinist parties grow and their bureaucracies acquire a more differentiated character. The functionary of the CGT owes his post to his "loyalty" to his party, that is, to the Kremlin. But the CGT maintains its position thanks to the tolerance of the bourgeois state. In case of a real conflict between the bourgeois state and the Kremlin, a large number of Stalinist state functionaries and trade union bureaucrats will choose to keep their posts and desert their party. This phenomenon has only occurred in individual cases since the "great turn" of 1939; but at that time the penetration of the Stalinist bureaucracy into the apparatus of the bourgeois states was itself still a matter only of individuals. Today, the individuals of yesterday have become thousands of functionaries. It is certain that as the Stalinist penetration into the trade union and state bureaucracy increases, so also the pressure of bourgeois ideology on Stalinist policy increases—and with it the danger of a serious split

of the "right" wing at the time of a possible major "left turn." The evolution of Stalinism, *from centrism to neo-reformism*, is a sociologically and ideologically apparent phenomenon in every country and deserves separate study (being outside the framework of this article).

Stalinist Stability and Reformist Flexibility?

But doesn't the Stalinist bureaucracy put up a much more savage defense of its privileges than the reformist bureaucracy? Shachtman, who states his position in a recent article (*New International*, March 1947), goes further. He declares that the Stalinist parties "do not 'give away' what they manage to gain control of; what they control is absolutely controlled [!] and only 'rented out' for specific price paid them, in return, by the bourgeoisie." Politics is here reduced to mere trading, outside the laws of the market, that is to say, outside the class relationship of forces which in the last analysis determines the strength of each bargainer in the negotiations.

Can this statement be applied to the past? Against Shachtman are arraigned not only twenty years of Trotskyist polemic but also twenty years of historical experience not to be denied. Did the Stalinist bureaucracy "keep firm control" of Shanghai and Canton? What "price" did it receive from Chiang Kai-shek for its shameless capitulation other than a kick in the rear? Can Shachtman make clear to us what was the nature of the "control" which the Stalinist bureaucracy maintained, after 1933, over its very powerful positions in Germany? Or can he specify exactly what "price" Hitler paid Stalin for his capitulation of 1933, other than the feverish building of a war machine to make a colony out of Russia?

And more recently: Has the French CP "kept" control over the powerful armed forces it possessed immediately after the "liberation?" What exactly did it receive in exchange for their dissolution? Did the Greek CP keep "control" over the tens of thousands of soldiers when it accepted the disarming of the EAM? What did it receive in exchange from the Greek bourgeoisie? This assertion of Shachtman's is completely ridiculous in the face of the entire results of twenty years of Stalinist policy, which are nothing but a long series of defeats, not only for the world proletariat but also for the Stalinist parties!

Furthermore, *within its own framework* the reformist bureaucracy also puts up a savage defense of its positions. Every revolutionary worker who has dared defy the trade union bureaucracy in Europe knows something of this. The reformist moguls refrain from no "totalitarian" measure to eliminate revolutionary currents, to rig elections, to suppress the voice of minorities, to throw out those who won't stay in line and to use physical violence against anyone who becomes too "troublesome." Along this line the Stalinists have not had to invent anything; they were able to copy the reformist bureaucrats' method of fighting, only raising it, of course, to the n-th degree.

But the resources of the reformist bureaucrats come, in very limited amounts, from the power of the workers' organizations and, again in limited amounts, from subsidies by the bourgeois state. The subsidies of the Stalinist bureaucrats are supplied out of the Soviet budget, second largest in the world. Their more ample resources mean also a more fully stocked arsenal and greater confidence in their own strength; this is without doubt one aspect of the much greater success of the Stalinist bureaucrats in defending their privileges.

A second aspect arises from social psychology and also deserves to be clarified. The reformist bureaucracy has actually

never emerged from the "peaceful" atmosphere of the period of imperialist growth; it still carries the heavy burden of parliamentary illusions, so utterly absurd in our era, and feels completely out of its element in the epoch of wars, revolutions and counter-revolutions. A reformist bureaucrat is a narrow petty-bourgeois, paralyzed by legal cretinism and intimidated by physical violence. The Noskes are rare among the Social-Democratic leaders, whose usual level of treachery does not go beyond anonymous denunciations to the bourgeois police. Exceptional historical circumstances may turn the reformist leaders into accomplices of the bourgeois assassins; but they never become a *police force* themselves—if for no other reason than their lack of physical courage.

Stalinist leaders, on the other hand, are trained in the completely corrupted clique of Kremlin emissaries, a bunch of unscrupulous adventurers for whom human life has no value. The only thing they inherited from Bolshevism is their skill in forging false passports. Although reformist policy appears as an intolerable anachronism in the era of human incinerators and atomic bombs, Stalinist policy unites all those elements of decay in our civilization which are characteristic of the epoch of the putrefaction of capitalism. The *individual* psychology of the Stalinist leaders is much nearer that of the fascist leaders than that of the reformist bureaucrats. And it goes without saying that the Stalinist bureaucrats employ their brutality and their complete lack of scruples solely in defense of their own privileges. . . .

When we examine the contradictory nature of the privileges themselves, we can see the dialectical solution of the contradiction between the savage defense of their privileges which the bureaucrats put up and the completely liquidationist results of their policy. The privileges of the reformist bureaucracy depend upon the existence of a powerful workers' movement and on the peaceful integration of its apparatus into the bourgeois "democracy." But the degeneration of capitalism increasingly undermines the possibility, in our epoch, of cohabitation between capitalism and the workers' organizations, no matter how emasculated the latter may be. The burning question confronts the workers' movement: overthrow the bourgeois state or be crushed by a bourgeois dictatorship. The reformist bureaucracy tries to defend both its own organizations and the bourgeois state—which is to say, it paralyzes the proletariat and leads it straight toward the destruction of its mass organizations, which also means destruction of the bureaucracy's privileges.

The Social Conservatism of the Stalinist Bureaucracy

Basically the situation is no different with the Stalinist bureaucracy. The leaders of the Communist parties in Germany, France, Spain, Greece and increasingly in every country in the world, find themselves and will continue to find themselves faced with the historical alternative: forward to the proletarian revolution or be crushed in the near future by the bourgeois dictatorship. Invariably the Stalinist leaders have chosen the second road, though of course trying to gain as much time as possible—but the reformist bureaucrats do this as much as the Stalinists.

The fundamental reason for this suicidal policy of Stalinism lies, as in the case of the reformist bureaucracy, in the contradictory nature of the privileges of the Stalinist bureaucracy. The Soviet bureaucracy, which developed because of the monstrous degeneration of the Russian workers' state and planned

economy, fears the world revolution as much as the imperialist bourgeoisie does. For both, victory of the international proletariat means the final end of their social privileges, however totally different their nature. That is why the Soviet bureaucracy prefers to abandon its weapons abroad—the national Stalinist parties—rather than risk the launching of revolutionary mass struggles in defense of these parties.

The objection will be made: Didn't Trotsky, toward the end of his life, write that the bureaucracies of the Stalinist parties view "with envy" the Soviet bureaucracy's special privileges arising out of the system of nationalized property, and that they try to attain similar positions? And then the example of the "buffer countries" is rushed in as evidence.

In pointing out a *tendency*, Trotsky was entirely correct; but he added that the possibility of this tendency being *realized* was very slight if not entirely excluded. Moreover, it seems to us that the example of the buffer countries is completely irrelevant.

The first question to ask is this: If the Soviet bureaucracy is really a "class" tending to reproduce itself outside the borders of the Soviet Union, and if the *fundamental* tendency of the bureaucracy of the Stalinist parties is really to attempt to overthrow the bourgeois regimes and set up a "new totalitarian slave society"—then how explain the policy of capitulation to the bourgeoisie on the part of the French, Italian, Greek, Belgian, Dutch and other Stalinist parties after the "liberation?" No one who studies closely the relationship of forces in those countries at that time can doubt for a moment that the Stalinist parties had only to *gather up* the power in the streets if they wanted to.

No effective force existed capable of opposing them; they were actively followed by the largest part of the workers and peasants of these countries; and many of the rest were passively sympathetic to them. Why then did the Stalinist parties, instead of seizing power in each of these cases, repeat on a European and world scale the capitulatory policy of the Noskes, help reestablish the bourgeois state apparatus and put the power back in the hands of the bourgeoisie? Through fear of imperialism? But the establishment of their own Stalinist regime would have been the best defense against every imperialist threat at Russia! Out of loyalty to the Yalta agreements? That is too absurd to need answer. Because the relationship of forces was "unfavorable?" That is what Stalinist propaganda claims.

Actually, never in history have parties claiming to be working-class parties been in as favorable a situation for their coming to power as the Stalinist parties in 1944, and it may be assumed that the genuine revolutionary parties will have to fight for power in far more difficult circumstances. Only one conclusion remains: that the bureaucracy was even more afraid of its own "seizure of power" than of consolidation of the bourgeois power; that the bureaucracy was well aware that under conditions of revolutionary upsurge such "seizure of power" would be a first step toward the proletarian revolution and not toward the establishment of some sort of "bureaucratic regime"; and that the bureaucracy was more conscious than Shachtman of the fact that the final crushing of the bourgeoisie would be impossible except through the revolutionary mobilization of the masses, which it wanted to avoid at any price. And it is paying this price now in the *loss*, one after another and with no compensating factors, of all the positions it had won or was about to win at that time in these countries.

In the buffer countries an entirely similar process unfolded.

No serious obstacle stood in the way of complete overthrow of the capitalist regime in Rumania, Hungary, Finland, Austria, Czechoslovakia, etc. But there also the bureaucracy chose to compromise, to make alliances with various bourgeois elements and to restrict its own opportunities, rather than allow the unloosing of vast revolutionary mass actions. This constant in Stalinist policy appeared in all the buffer countries, as throughout the world. The machinations of the bureaucracy in the buffer countries occupy an entirely harmonious place within the framework of the panicky policy of a gang of bankrupt criminals attempting to prolong their power by indiscriminate looting; within the supposed framework of a search for "social stabilization" or "historical interests" on the part of a "new ruling class," they are absolutely incomprehensible. They confirm the analysis we have endeavored to outline: The *fundamental* tendency of the Stalinist parties, flowing out of their fundamental role of doing service to the Kremlin, is their *counter-revolutionary* and objectively bourgeois tendency; the tendency toward adding to the revenues of the Soviet bureaucracy by looting, etc., is a by-product of this fundamental tendency, a by-product arising only out of very exceptional conditions.

We know the extent of this exceptional conjuncture of circumstances in the buffer countries: physical elimination of a large part of the old bourgeoisie in several countries during the war; temporary non-intervention of imperialism, won at Yalta; presence of the Soviet army of occupation and a powerful repressive apparatus, and so on. As a result the Stalinist parties in Poland, Yugoslavia, and partially in the other buffer countries, were able to grab most of the key posts in the state apparatus—on a basis of relations of production which remained fundamentally bourgeois—while restricting the action of the masses within the narrow limits determined by Stalinism. What they wanted primarily were economic advantages of basic importance for speeding up the reconstruction of Russian economy. But a "new bureaucratic society" no more emerged from these events than did these events "destroy" capitalism in the buffer countries. . . .

"Totalitarian" Parties?

The emotional power of the word "totalitarian" is curiously linked to the fact that no one can define it exactly; it works primarily by suggestion. It evokes the image of a society where the "state" attempts to impose its law in every sphere of social and individual human life. Hence it is as applicable to the realm of the Incas as to the Jesuit state in Paraguay, as applicable to the semi-feudal empire of the Mikado during the war as to the Nazi dictatorship in Germany. All these regimes do actually have something in common, just as the arrow and machine-gun are both weapons of death. But there the likeness ends, and Marxism provides us with a number of invaluable criteria for determining the difference between political regimes on a basis other than their outward forms.

The political regime in Russia is certainly quite as "totalitarian" as Hitler's. No serious Trotskyist has ever questioned this; the only thing which Trotsky questioned, entirely justifiably, was whether the totalitarian nature of the political regime *sufficed* to define either the social nature of the Russian state or the attitude the Fourth International should take toward it. The bureaucracy of the Stalinist parties obeys the "totalitarian" orders of the Kremlin and even dreams, in its spare time, of setting up similar regimes in various countries—as a eunuch dreams of a woman. But it seems to us that though these facts

are quite true, they are not sufficient for determining the nature of the Stalinist parties or for characterizing the role they play on the political arena.

We can go a step further and say that the Stalinist parties are "police" parties. But confronted by the *revolutionary* menace to their privileges, the Social-Democratic leaders also become objective instruments of the bourgeois police. Where is the difference?

The Stalinist bureaucracy, like the reformist bureaucracy, carries out its counter-revolutionary policy within the framework of bourgeois society. But although the reformist ministers are simply outrunners of the bourgeois police in the workers' movement, the Stalinist leaders are an integral part of the GPU, serving objectively as auxiliaries of the bourgeois police. Circumstances transform the outrunners and the accomplices into actual assistant-hangmen: Browder and Stachel collaborated actively in the assassination of Trotsky, just as Noske participated actively in the assassination of thousands of Spartacists. The police role of the Stalinist bureaucracy is more marked insofar as its tie with the GPU is a permanent one or that its professional training ordains it to this kind of occupation, whereas the training of the reformist leaders ordains them at best to the profession of quack lawyers for the imperialist assassins. This difference gives the Stalinist leaders a tremendous superiority in police methods and counter-revolutionary activity as compared with the reformist leaders, and explains the predominant role they were able to play in the declining phase of the Spanish revolution.

But the individual psychology of the leaders does not function in a void, nor is it a spring to set robots in motion. The mass of Stalinist workers, at least in those countries where the Stalinist parties have a large mass base, judge their party from its past, its tradition, its language today, its relations with other parties and with the bourgeoisie, etc. But this mass of Stalinist workers is as little "totalitarian" as the simple average worker and in general they are by no means always ready to accept the "totalitarianism" of their leaders. It was not lack of experience but the objective impossibility of getting the masses to accept the terrorism of open physical violence against the Opposition which prevented Stalin from assassinating the Trotskyist leaders in 1927. He had to move step by step along this road, and only in the measure that the reactions of the masses subsided. It was neither a question of "orders" nor of "occupational proficiency" but the dynamics of the class struggle which determined the fact that the open gangsterism of the GPU was able to go into action in Spain only after many months of more or less complete "workers' democracy." And even after two years of retreat of the revolution and a year of unlimited Stalinist terror, the GPU was unable to impose its will at the time of the trial of the POUM.

The victory of Stalinism in Russia itself and the monstrous growth of the police—yes, "totalitarian"—terror which followed, are explained historically by the whole mechanism of the world-scale *retreat* of the proletariat. The exhaustion of the Russian working class, which did not receive sufficient help from the workers of other countries, was expressed in their passivity and growing political skepticism. As the number of advanced workers belonging to the Russian Communist Party decreased, the weight of the newly-born bureaucracy became greater in the party and in the state. The brutality toward the rank-and-file, the cynical careerism, the irresponsibility and the covetousness for material advantages—all these products of functionary-ism under conditions of economic misery could be held in check by the working masses so long as they combined

an enthusiastic confidence in their ideals with critical activity in the workers' organizations. The degeneration could not have developed to the point it did if the proletariat had not become politically *passive*. In the interrelation between the passivity of the working class and the growth of the police terror, it is the former which is by far the more decisive. That is why we say that Stalin, far from being an evil genius who succeeded in fashioning history with the help of his diabolical secret police, is himself only an abortion of the historical process, driven by social forces of which he was unaware to a policy whose appalling internal logic he could never suspect.

Similarly, Trotsky always emphasized the fact that the passivity of the German working class under Hitler was fundamentally not a result of the all-powerfulness of the Gestapo apparatus, but that, on the contrary, the "totalitarianism" of the dictatorship was possible only because other factors had brought about an unprecedented prostration of the proletariat. Trotsky analyzed these other factors so thoroughly that we can here confine ourselves to listing them: the weight of fifteen years of defeats; the terrible demoralization caused by the capitulation of the reformists and Stalinists in 1933; complete disillusionment in the traditional workers' organizations; lack of confidence in their own class strength; lack of any concrete perspective of struggle—and so forth. The demoralization naturally became greater as the terror continued, and the terror became more effective as the passivity of the working class made it possible to isolate and rapidly crush the last islands of resistance. But recent history has provided plenty of examples to prove that a transformation in the attitude of the proletariat can in its turn quickly break up the most "totalitarian" state apparatus, and that in such a situation the pressure of the masses is enough to shatter it in pieces.

Did the recent growth of the Stalinist parties occur following an *ebb-tide* of the proletariat? Did the workers leave the Communist parties in great masses and fall again into complete passivity? Clearly, with the exception of Poland and perhaps Yugoslavia, a fundamentally *different* phenomenon occurred. Beginning in 1944 the workers everywhere flocked in mass to the Communist parties. Far from being demoralized, they were filled with hopes they had not known since the October Revolution. The world-wide upsurge of Stalinism after World War II was the crest of the great revolutionary tide. Under such conditions, was it possible to "utilize" the proletariat in order to establish a "new exploitive society?" To suppose even for a moment that a working class *in full upsurge* could be brought by the simple method of police terror to accept immediately the establishment of a new regime of exploitation, means actually to give up all hope in the revolutionary potentialities of the proletariat.

Furthermore, does what actually occurred have anything in common with this abstract and lifeless schema of the "fundamental drive of the Stalinist parties toward seizure of power in order to establish a new regime of exploitation?" Wherever the workers drove the Stalinist leaders ahead, the latter put on the brakes or retreated. Everywhere the hopes of 1944 were cruelly shattered. After this disillusionment, the bourgeoisie was able to make a relative recovery, the Stalinist parties were thrust back on the defensive, and the masses temporarily thrown into passivity. The phenomena of Stalinist "seizure of power" in some of the buffer countries are directly related—wherever it was really a question of *anti-working-class* terror—to this new relative passivity of the masses under exceptional historical circumstances, which rendered the bourgeoisie itself incapable of taking advantage of the temporary retreat

of the proletariat. But even in these countries, after the demoralization of the workers was still further increased by their terrible disillusionment with the policies of Stalinism "in power," the bourgeoisie regrouped its forces and made ready to proceed again to the offensive. That is why in these countries also the growth of Stalinism appears to us as a *transitory* phenomenon, the fate of which will be determined either by a new offensive of the working class or by a victorious regroupment of the bourgeoisie assisted by world imperialism. The decisive factor in every country remains the class struggle. The dreams which the Stalinist leaders have of "totalitarian dictatorship" are being inexorably ground to dust between the powerful millstones of modern society. . . .

A New Edition of the "Third Period"

When Zoergiebel, chief of the Social-Democratic police, had scores of Communist workers killed at the time of the 1929 May Day demonstration, he was unquestionably a bourgeois assassin. But the mass of Social-Democratic workers continued to follow Zoergiebel after this massacre. It required, however, the ignorant blindness of the "Third Period" Stalinists for the conclusion to be drawn that the Social-Democratic workers were "little Zoergiebels." Actually these workers, in accepting the criminal police measures of their leaders, did not by any means follow these leaders. The "crime" of these workers consisted rather in this, that the massacre for which Zoergiebel bore full responsibility was not enough to convince them of the superiority of the hysterical putschism of the Stalinist leaders as against the criminal lethargy of their own reformist leaders.

Similarly, Maurice Thorez and Palmiro Togliatti are without question direct accomplices of the GPU. But despite all that has been revealed about the crimes of the GPU, the large mass of Stalinist workers will continue to follow their Stalinist leaders—or will fall back into complete passivity—until the day when the Trotskyist parties can prove to them *in practice* the superiority of their policy over the policy of Stalinism. To call the Stalinist parties "parties of assassins" is therefore as monstrous an error as the "Third Period" Stalinist error of calling the reformist parties "parties of little Zoergiebels."

When Trotsky opposed the line of the "Third Period," he never for a single moment, however, undertook to defend Zoergiebel himself. To find a bridge to the Social-Democratic workers did not mean, for Trotsky, to pass over in silence the crimes of the reformist leaders. This task he left to the Brandlerites. Those who, in seeking to find a bridge to the Stalinist workers, are consistently silent about the crimes of the Stalinist leaders, occupy a position in relation to our movement similar to that of the Brandlerites during the years of the "Third Period."

The reformist workers will not be convinced of the counter-revolutionary character of their own leadership unless they can be brought to learn through their own experience that these leaders are not ready to solve a single one of the problems confronting the working class. At a certain stage this experience will inevitably pass through the slogan, "All power to the parties claiming allegiance to the working class!" The ultra-Leftists, who, as always, take their own experience for that of the masses, have been objecting to the application of this slogan to the reformist parties: "Such a government will govern objectively *against* the proletariat." No revolutionist denies this—but it certainly is no objection against the use of this slogan. The slogan corresponds precisely to a situation in which the reformist leaders *do not want* to break with the

bourgeoisie and, under the driving pressure of the masses, take power in their hands. If the masses nevertheless succeed in forcing such a break on their leaders, then there begins a revolutionary period in which the proletariat can at every moment confront the indecision and cowardliness of its "leaders" with its own boldness; the "government of parties claiming allegiance to the working class" would be a brief interlude before the seizure of power by the proletariat.

This slogan cannot of course be advanced except in clearly defined situations characterized by:

(a) the discontent and thorough radicalization of the working class, in the period of pre-revolutionary crisis in society, when the workers understand the necessity of throwing out the existing governments (whether bourgeois or coalition) which are incapable of bringing the country out of the impasse;

(b) the fact that the proletariat continues to place its confidence in its traditional working-class leaders; and

(c) the fact that the proletariat does not in its majority understand the necessity of going over to direct struggle for the setting up of Soviets and the passage of power into their hands—an idea still advanced only by a revolutionary minority.

Is then the importance of this slogan minimized by the fact that there is a considerable number of situations in which the slogan does *not* apply? By the fact, for example, that it would be absurd to advance the slogan at a time when the masses are *sinking back* into passivity and no longer have confidence in their traditional leaders? By the fact that it would be even more absurd to advance the slogan for parties which have never had the confidence of the working class? All the "examples" given by Shachtman have to do with such cases; they do not prove in the slightest that the slogan of a "CP-SP-CGT Government" does not apply to all situations in which the above-outlined conditions exist. As is so often the case, his crushing argument is nothing more than a tremendous wallop at thin air.

On the other hand, the arguments advanced against using this slogan, under any circumstances whatsoever, in relation to the Stalinist parties, is as similar as two drops of water to the ultra-Leftist argument against use of the slogan in relation to the reformist parties. It is needless to convince us of the counter-revolutionary character of the Stalinist leadership, or of its connections with the GPU, and so on. The problem still remains this: Given a suitable situation, *does anyone know any way of detaching the masses from the leaders in whom, despite everything, they continue to place confidence, other than that of the traditional slogan of "Government of the parties claiming allegiance to the working class?"* So long as no one can show us another way—and not one of those who oppose the use of our transitional slogan has even tried to propose something in its place!—we will continue to consider it the only slogan which corresponds to the situation.

The Problem of the United Front

What we have just said on the subject of the "SP-CP-etc." slogan applies all the more to the problem of the united front. The tactic of the united front, once again, is not a *fetish* except for centrists—such as the SAP in Germany before Hitler—who really think that "united action" solves everything. For us, the united front tactic corresponds to a given stage of development of the revolutionary parties, as well as to a given state of the consciousness of the masses. Under certain *precise* conditions, which were precisely formulated at the Third Congress of the Comintern, the united front tactic is the most

powerful instrument for detaching the masses from a traditional party and for making possible the most rapid passage of the masses into the ranks of the revolutionary party.

Once given this set of conditions, the united front tactic applies as much to the Stalinist as to the reformist parties. Those who now say, "We can't make a united front with the assassins of the Old Man," are repeating word for word the argument of the "leftists" of the German CP at the Third Congress of the CI who said, "We can't make a united front with the assassins of Karl and Rosa." These comrades have not understood that the united front, far from "re-gilding the banner" of the treacherous leaders, is an especially effective weapon for *fighting* them and destroying their influence among the masses.

Obviously the Leninist tactic never was to "offer" united fronts to the treacherous leaders on every occasion and under all circumstances. But it is clear evidence of bad faith when we are asked with feigned indignation whether we propose a "united front" to the Polish Stalinist leaders when they shoot down the striking workers in Danzig and hunt out the militants of the PPS (Polish Socialist Party) or burn down the villages whose inhabitants would not comply with the orders of the secret police. One could with similar malice ask: "Do you offer Bevin and Deakin a united front when they are engaged in a fight to expel revolutionists from the trade unions or when they are trying to break the dockers' strike?" It is obvious that when strikes break out in Poland or anywhere else, including Russia, because the workers see no other way of defending their right to a decent standard of living, we will be unconditionally on the side of the workers. If the police shoot down the striking workers—thus demonstrating that they have nothing in common with the working class!—we will fight beside the workers and we will try to organize armed resistance, if conditions allow. We will follow this line of conduct in Great Britain as well as in Palestine, in Russia as well as in Poland, whether the government be conservative, Laborite, or Stalinist. But that does not at all mean that in these countries, *under other circumstances*, the possibility of a united front is excluded in advance. If a fascist *coup d'état* were ever attempted in Great Britain against the Labor Government, we would most certainly propose a united front to Bevin! We were for a united front with the Stalinist bureaucracy against Hitler—and reports from Russia indicate clearly that after the first moments of confusion this was the *practical* attitude of the great majority of the revolutionists, whatever their theoretical explanations for the attitude. We were likewise for a united front with the leaders of the EAM in Greece in December 1944. Under similar circumstances we would also be for a united front with the Polish PPR—provided that by a conjuncture of circumstances the PPR were with the majority of the Polish workers struggling for a just cause. This is not "eclecticism," it is a Marxist principle readily to be found in the *Communist Manifesto*: Every victory of the working class strengthens the revolutionary party, just as every defeat of the *working class as such* makes the building of the revolutionary party a thousand times more difficult.

But in thus demarcating ourselves from those who faithfully apply the myopia of the "Third Period" to the problem of Stalinism, we must emphasize even more the fact that the *Leninist* conception of the united front has nothing in common with any of the theories about "pleasant atmosphere," or "friendly language," or "limiting our criticism," and the rest of the opportunist drivel which blunts this weapon and ends by turning it into nothing more than a wooden sword, bran-

dished impotently by a little party impatient to become a "mass party." The united front is simply a supplementary and more effective method, in certain suitable circumstances, for denouncing the reformist and Stalinist leaders. It is a means of making the workers conscious of the fact that the revolutionary party offers a better defense of their *immediate* class interests than opportunism of whatever color. Those who introduce into the tactic of the united front the least hint—whether feigned or sincere—of fraternization with the lackeys of capitalism or of the Kremlin, remove themselves from Leninism and take their position with the purest centrism.

The Causes of the Recent Growth of Stalinism

Whoever approaches the problem of Stalinism in the light of a false analysis of the Soviet Union, finds himself completely paralyzed in trying to explain the extraordinary growth of Stalinism in the last three years. The greatest phantasies—on such subjects as "Machiavelism" and "regression of the mass consciousness"—have been used for explanation. Certain people have even, like real magicians, pulled out of their sleeves "new classes in power" in order to explain the very rapid enlargement of the Stalinist organizations. The absurdity of all these theories is best indicated by the astonishing results one gets when the theories are pushed to the end.

The tremendous growth of the Stalinist movement for a period at the end of World War II can be understood only if one starts from the classical conception of our movement regarding Stalinism: whatever the degree of degeneration of the bureaucratic leadership of these parties, they remain, in most cases, working-class parties, and are considered as such by the bourgeoisie and by the proletariat. Their growth, like their decline, is to be explained as a function of the class relationship of forces and the development of the working-class movement as a whole.

By virtue of the special nature of the Social Democracy, the historical period of its growth falls in the epoch of imperialist expansion—the three decades prior to the First World War. In this sense, the First Congress of the Comintern was entirely correct in characterizing the *historical* period which mankind entered in 1919 as the period of the *liquidation* of the Social Democracy. Nevertheless it was precisely the first worldwide revolutionary wave, after 1917, which expanded the Social-Democratic parties more than all the reformist activities during thirty years of relative peace. And the European Social Democracy won its leading positions in the apparatus of the bourgeois states long after the moment when historically its death-knell had begun to toll.

Unlike the Social Democracy, which was historically connected with a period of "peaceful" growth of the workers' movement, Stalinism expresses objectively a period of retreats and bloody defeats. The historical growth of Stalinism coincides with the historical retreat of the workers' movement. Again in this sense, the Fourth International was entirely correct in characterizing the period of revolutionary upsurge of the proletariat following World War II as the period of the *historical liquidation* of Stalinism. The fact that precisely at the beginning of this period Stalinism seemed to reach its peak in numerical forces and in the "winning" of posts in the bourgeois state apparatus, no more contradicts this fundamentally correct analysis of the period than the existence of ten reformist Prime Ministers in the world in 1919 contradicted the analysis of the First Congress of the Comintern.

The movement of history does not proceed along the trajectory of a straight line, but follows an irregular curve which most frequently takes the form of periodical cycles. But to ignore the cyclical movement and see only the general direction is no less serious an error than to ignore the general orientation while seeing only the cycles! At the moment when the first important layers of the working class detached themselves from reformism and understood the need of forming a new revolutionary party—only then did the great mass of the *class*, which had been politically passive during the comparatively “quiet” years, reach the threshold of *working-class* politics—and there they were promptly absorbed by reformism. The fact that the high point of the European Social Democracy came in 1919, and of world Stalinism in 1944, is to be explained fundamentally by the same process of uneven development of the various working-class layers—though it was made possible by the revolutionary upsurge which, moreover, undermines the entire foundation of these parties. The masses who flocked to Stalinism in 1944 came there not because of its policy *today* but because of its *past* which made the Stalinist parties appear to the masses as the most radical on the political scene.

A second factor common to the peak of the Social Democracy in 1919 and of Stalinism in 1944 is the *organizational conservatism* of the highly skilled and best educated layers of the working class. These layers hang on to their traditional organizations, and especially the organizations which in the past gave them their local and regional leaders. The extraordinary attachment of the French proletariat to the Communist Party is to be explained not so much by their attachment to the October Revolution or their illusion that the Communist Party continues to incarnate the tradition of that revolution, as by the fact that present in the factories, the mines and workshops are the lower cadres of the party who, because of their struggles in the past, are looked upon as the best fighters for the workers' interests. Insofar as the contradiction between the *present-day* policy of the CP and the *present-day* needs of the masses sharpens both the opposition of these lower cadres toward the party and the mistrust of the masses toward these cadres, the break with the CP is being objectively prepared; but what is involved here is an extremely slow process, which requires a whole series of experiences and which runs the danger of finally turning into *demoralization* unless the revolutionary party is able at the right moment to counterpose, within the living mass organizations, its own representatives against the representatives of Stalinist neo-reformism.

Along with these causes which are common to the development of both the Social Democracy and Stalinism in the two periods of revolutionary upsurge we have just described, there is a special cause for the growth of Stalinism at the end of World War II. This cause lies in something peculiar to Stalinism. Acting in the interests of the Soviet bureaucracy, and not so much with the aim of *defending* bourgeois “democracy”—as the Social Democracy did—as of preventing the outbreak of the socialist revolution. Stalinism has a field of operation much vaster than that of the reformist bureaucrats. Moreover, the sharpening of the contradictions between imperialism and the Soviet bureaucracy results in a much more stubborn opposition of the bourgeoisie to penetration by the Stalinists into its state apparatus than its opposition to a similar penetration by the reformist bureaucrats. This opposition, in turn, gives the Stalinists a new anti-capitalist halo. Finally, and a still more important factor, the Stalinist parties have accomplished a veritable *renovation of reformism* by proposing, within the

framework of the capitalist system, the carrying out of a number of measures which are characteristic of Soviet planned economy. However fraudulent this renovation may be on a purely theoretical level, it gives their propaganda and their political activity a character a thousand times bolder and more dynamic than that of the old reformist parties. It is this illusory “effectiveness” of the Stalinist parties and of the solutions they propose which has been an undeniable force of attraction not only for the working masses but for numerous petty-bourgeois layers who were convinced that the coming to power of Stalinism would sweep out “everything” from top to bottom. These illusions have been strengthened even more by the confused impression the masses have that capitalism has “somehow” just been destroyed in the buffer countries—an illusion skillfully fostered by Stalinist propaganda and also shared, alas, by Shachtman.

The combination of all these factors contributed to raise Stalinism to its pinnacle at the beginning of the revolutionary upsurge; but it is no less true that the upsurge itself undermines the foundations of Stalinist power. Whatever illusions the masses may have about the “anti-capitalist” character of Stalinist policy, the experience of one or two years of participation by the Stalinists in the ministries is preparing the ground for dissipation of these illusions. The scope of these illusions bars the road, for a certain period, to a new advance of the proletariat. This new advance, which is being prepared by a great number of objective factors, will be realized according as the masses have the capacity to overcome the obstacle of Stalinism. This capacity, in turn, depends in large measure on the actions of the Fourth International.

The Struggle Against Stalinism

The struggle against Stalinism is not a literary exercise; it is a fight to break the influence of Stalinism *among the masses*. For this reason the struggle is ranged on three different planes, each of which corresponds to one of the roots which Stalinism has among the workers.

The most burning task of the struggle against Stalinism, the task which can never be interrupted, is the intransigent ideological struggle against the poison that Stalinism has introduced into the workers' movement. A patient and intelligent reaffirmation, in the light of today's events, of the fundamental principles of Leninism and workers' democracy will make it possible to gradually cleanse the working masses of all the foul vapors of chauvinism, reformism and social collaborationism which the Stalinist parties have spread among them. Above all we must consistently set forth the tradition and practice of Bolshevism in opposition to the degraded prostitution of socialist ideals which the Stalinists organize wherever they can, not only in the buffer countries but also in those trade unions and mass organizations of the “West” in which they have seized the levers of command. We must denounce, without surcease and without reservation, all the crimes of Stalinism against the people in the buffer countries, we must systematically break down all the illusions of the masses about the “destruction of capitalism” in these countries and about the “socialism” that exists in Russia. This task is as fundamental as the fight against parliamentary illusions in the struggle against the Social Democracy—for no worker who really thinks that Russia is “socialist” and that the Stalinists have abolished capitalism in Yugoslavia will leave the Stalinist organizations.

It is all the more necessary to repeat these elementary truths because in the periphery of our movement there is a

tendency to consistently evade any "sharp" characterization of the Stalinist leaders and to pass over in silence most of the crimes of Stalinism in the buffer countries, with the excuse of "not playing the game of the anti-Soviet campaign." This must be said clearly: such a tendency corresponds objectively to the *pressure* of Stalinism and must be fought implacably by the International if it wishes to preserve its own character.

The second task in the struggle against Stalinism, a task which will become broader and more urgent as our movement grows and begins to attract the sympathy of large layers of Stalinist workers, is to apply correctly the *tactic of the united front* in relation to Stalinism. Even if we can win a part of the vanguard on the basis of our *principled propaganda*, the masses will not come over to us unless they can be convinced in practice of the *superiority* of our *day-to-day* policy over the day-to-day policy of Stalinism. The united front tactic—our agitation for its realization, and its eventual application—is the best way of getting the masses to understand that we are better fighters for their class interests than the Stalinist opportunists. This point has to be emphasized because in the periphery of our movement there are tendencies which reject the possibility of united fronts with the Stalinist mass organizations. Such tendencies correspond objectively either to the *pressure* of imperialism or to traditional sectarianism. The effectiveness of our struggle against Stalinism depends in large measure on our ability to avoid in relation to Stalinism the errors of the "Third Period" in relation to reformism.

The third task in the struggle against Stalinism is the patient penetration of our movement among the *rank-and-file* of the workers' movement. Only when the masses recognize our militants in the factories, in the working-class quarters, in the community, in the trade unions, in the cultural organizations, in every field of their activity, as *better* leaders than the Stalinists; only when they feel that our movement is more effective, more closely tied to the masses, better organized to lead them to victory; in a word, only when they recognize in our parties *their* parties and in our International *their* International, not in words but in fact—only then will we have the premises for thorough destruction of Stalinist influence. That is why the

struggle against Stalinism is not some kind of special task, an appendix to our program. The most effective struggle against Stalinism is the building of our party, the strengthening of our International! This will require a whole historical period, for a whole historical period will be necessary in order to finally win the confidence of the masses; but we are profoundly convinced that this period has already begun.

In this sense, a race is now going on between two processes which will decide the future of humanity: the regroupment of the world bourgeoisie and the regroupment of the proletariat. In spite of the successive capitulations of the "working-class" leaders and the liquidation of the first stage of the revolutionary upsurge, the bourgeoisie is still far from a solution of its immediate problems: to get rid, even just a little, of the cracks in its system and the ruins left piled up along its road after the war. But even a temporary solution of these problems requires of the bourgeoisie not only a furious attack on the living standard of the workers, but also the elimination of Stalinism as a factor of power in the workers' movement.

The proletariat, for its part, if it is to return to the offensive against capitalism—and without this none of its immediate problems can be solved—must above all overcome the inertia and pressure of the Stalinist machines which have been erected on top of its organizations. Liquidation of Stalinism by *imperialism* would carry with it the danger of the entire workers' movement being buried in the debris; failure of the *proletariat* to overcome the burden of Stalinism which weighs it down would make its defeat inevitable. The historical task confronting the Fourth International is to take leadership in the overthrow of Stalinism by the *working-class*, and thus to prevent the crushing of the workers' movement by imperialism. Whoever understands the dialectical relationship between these two tasks will understand why, in the daily struggle, we must defend the *distinctive character of our own party* with the most fierce and unrelenting defense. And this character of our party cannot include any trait of adaptation to Stalinism, just as it must be completely free of any trait of vulgar anti-Stalinism.

Translated from the French by Duncan Ferguson.

April 10, 1947.

Stalin's Guilt

By NATALIA SEDOV TROTSKY

On June 8, 1940 Leon Trotsky wrote "I can therefore state that I live on this earth not in accordance with the rule but as an exception to the rule." And on August 20, 1947 it will be seven years since the perpetration of the crime that cut short his life.

Everything we said in connection with the violent death of L. D. Trotsky is today being wholly confirmed by the confession of Louis Budenz, a former leader of the American "Communist" Stalinist Party, in his book, *This Is My Story*, published in March of this year. The testimony of this GPU sub-agent, who took part in the conspiracy against the life of L. D. Trotsky, introduces nothing factually new, but it does authoritatively corroborate everything that we said on the basis of general political considerations as well by taking into account the numerous facts which occurred during the years of our exile.

The confessions of Louis Budenz throw light upon the entire

activity of Stalin's secret "Apparatus," which has usurped power and which acts with bloody arbitrariness. According to Budenz, Earl Browder and Jack Stachel participated in the plot against Trotsky's life. The plan of Stalin's terroristic deed was discussed in New York. For many reasons, and in the first instance, because Constantine Oumansky, who for many long years was attached to the Commissariat of Foreign Affairs in the capacity of secret police agent, participated both in the "accidental" and non-accidental deaths of Stalin's enemies, it is difficult to suppose that he was not involved in one way or another in the crime perpetrated in Mexico during his stay as Soviet Ambassador in the United States. Oumansky himself "fell victim of an accident." Was he perhaps in reality doomed to perish?

Louis Budenz leaves much that is unsaid . . . he probably knows much more! But under the conspiratorial system, where each of the participants in the plot is told only what concerns

him and nothing more, Budenz might have remained uninformed about some of the most important things. Let us hope that presently others will come forward with supplementary revelations.

Stalin cherished the project of physically destroying the leader of the anti-totalitarian Opposition even before the expulsion of Trotsky from the Russian Communist Party. Some time after the death of Lenin, as was testified by Zinoviev and Kamenev, who at that time formed together with Stalin the secret ruling Triumvirate, Stalin posed to himself the task of getting rid of his opponent at any price. This found its confirmation in attempts which at that time looked like accidents, but which were highly suspicious nevertheless. Thus in 1924 when L.D. was recuperating in Kislovodsk, we happened one night to be returning in a hand-car from a hunting trip together with Muralov and our guards. The hand-car suddenly jumped the rails and overturned. We escaped only with contusions. But we never received a plausible explanation of what had caused the derailment.

On November 7, 1927 during the demonstration in celebration of the 1917 Revolution, the Trotskyist Opposition marched with its own banners and its Left slogans. Shots were fired at the automobile of L. D. Trotsky. At that time the Stalinist clique could not go beyond attempts of this sort.

To the uninitiated it might appear incomprehensible why Stalin should have first exiled Trotsky abroad and then tried over a period of years to do away with him. In 1928 when Trotsky was exiled to Central Asia, it was still impossible to talk not only about shooting him but also about arresting him. The generation with whom Trotsky had passed through the entire October Revolution and the Civil war was still alive. The Political Bureau felt itself besieged from all sides and Stalin's project could not have been realized at that time either politically or psychologically. Even the legal exile of L.D. was not managed successfully by Stalin; it was broken up by a huge demonstration which took place at night in the railway station. The tumultuous crowd set up a large portrait of the leader of the October Revolution on one of the cars, cheered enthusiastically, and halted the train as it started moving. But Trotsky was not on it. The departure had been cancelled. Here, too, Stalin was obliged to resort to deception and to a secret train in order to achieve the exile.

The Exile of Trotsky

The year spent by L.D. in Central Asia was one of intense discussion by correspondence with his co-thinkers. The entire community in exile stirred with the greatest activity; in Moscow and Leningrad sympathies for the Opposition kept growing. The experience of that year brought Stalin to the decision to exile Trotsky abroad. His choice fell on Turkey. Stalin calculated that once he had succeeded in completely blackening Trotsky in the eyes of the entire country, he would then be able to obtain from the friendly Turkish government the return of Trotsky to Moscow for the final settlement of scores. The question came up for discussion in the Political Bureau. Stalin said: "Trotsky must be exiled abroad in the first place because he provides here the ideological leadership for the Opposition which keeps growing numerically; secondly, in order to uncrown him in the eyes of the masses as soon as he turns up as an ally of the bourgeoisie in a bourgeois country; thirdly, in order to uncrown him in the eyes of the entire world proletariat: the Social Democracy will exploit his exile against the USSR and come to the defense of 'the victim of Bolshevik

terror—Trotsky'; and fourthly, if Trotsky comes out with exposures of the leadership we will brand him as a traitor. All this shows the need to exile him." (We had in our possession a copy of the minutes of the session of the Political Bureau at which Stalin gave the foregoing arguments.)

On December 16, 1928, to an ultimatum issued by Moscow that he cease and desist from revolutionary activity, Trotsky replied: "Only completely corrupted functionaries could demand of a revolutionist that he renounce political activity, that is, renounce serving the Party and the world revolution. Only contemptible renegades could be capable of binding themselves to do so."

On January 18, 1929 came the GPU order exiling Trotsky outside the boundaries of the USSR. Upon the demand that he acknowledge receipt of this order, L. D. Trotsky wrote: "This decision of the GPU, criminal in its content and illegal in its form was presented to me on January 20, 1929."

We were brought from Odessa to Istanbul on the steamship *Ilyich*.

On July 18, 1933, the "left" government of Daladier issued to Trotsky permission to settle in France, ostensibly with the same rights as other foreigners. But in reality he was forbidden to live in Paris and was immediately placed under strict police surveillance. On February 6, 1934, after a rabid campaign in the press, Albert Sarraut, the then Minister of Internal Affairs, signed an order deporting Trotsky from France. But there could not be found a single foreign government that would agree to accept him. For this reason the order of deportation could not be carried out. From one day to the next *l'Humanite* [French Stalinist daily] kept writing: "Fascist Daladier has summoned the social-Fascist Trotsky in order with his assistance to organize intervention against the Soviet Union." This did not prevent the Stalinist party from entering two years later into an anti-Fascist People's Front with the Fascist Daladier.

In June 1935 the Social Democratic Party of Norway formed the government there. Trotsky turned to Oslo with a request for a visa. On June 10 he was deported from France and we left for Norway.

The realization of Stalin's project had to be postponed. As Lenin said, "this cook prepares only peppery dishes." Stalin needed more potent means for achieving the deportation of Trotsky from Norway, i.e., his being in effect handed over to the GPU. To this end Stalin staged the *Moscow Trials*. Cringing before threats, Norway resorted to the internment of L. D. Trotsky. It seemed as if the possibility of obtaining a visa to another country was completely out of the question. But the government of the Republic of Mexico in the person of Lazaro Cardenas issued a visa to Trotsky—this was in the days when Mexico had no diplomatic relations with the USSR. Stalin's plans fell to pieces, nothing else remained for him except to prepare the terrorist act. For his part Trotsky awaited with certainty an attempt against his life. In March 1940 the congress of the "Communist" Stalinist Party of Mexico proclaimed a course toward the "extermination of Trotskyism."

The Armed Assault

On May 24, 1940 took place the armed assault upon our house, which was led by the painter David Alfaro Siqueiros, former member of the Mexican Stalinist party. Robert Sheldon Harte, one of Trotsky's young collaborators, was kidnapped by the Stalinist bandits and murdered. We escaped unscathed thanks to a fortunate combination of circumstances, despite the carefully prepared strategic plan of the GPU.

After the death of L. D. Trotsky the *Bulletin of the Russian Opposition* wrote: "To this failure (of the attack led by Siqueiros) we owe the most dramatic document of modern political literature; in it a man explains why he will be killed and lays bare all the threads of a plot that tightened more and more closely around him. . . ." [The reference here is to Trotsky's article "The Comintern and the GPU," completed a few days before his assassination and published in November 1940 *Fourth International*.]

David Alfaro Siqueiros, freed on 10,000 pesos bail, and prohibited to leave the country where he had committed a capital political crime, nevertheless fled from Mexico, not without the assistance of prominent individuals. His trial was suspended without explanations, and a few months later the press reported the theft of all the court records in his case and the impossibility in view of this of proceeding with the trial. Not so long ago he filed an application for readmission to the Stalinist Party from which he was in his day expelled. The complete violation of legality by Siqueiros demands that he be arrested at once.

The revelations of Louis Budenz, former editor of the *Daily Worker*, the Stalinist daily in the United States, are quite specific and have become widely known. The conscience of world public opinion can neither remain indifferent to the crimes that have been committed nor permit them to pass unpunished.

A new and supplementary judicial investigation must be undertaken against the Stalinist assassin now lodged in a prison in Mexico, the self-styled "Jaeson," "Mornard," "Vanden-

dreschd"—all three false aliases. The prisoner must be subjected to a supplementary cross examination in order to clear up the following points: 1) his real identity and his past; 2) his probable role in the Siqueiros assault and the murder of Robert Sheldon Harte; 3) what he did on the trips made by him periodically to New York; 4) the identity of his superiors, inspirers and paymasters.

The participation of the leaders of the "Communist" party of the U.S. in the plot against Trotsky, attested to by Louis Budenz, provides sufficient grounds to bring before the court, Budenz himself, together with Browder and Stachel, and to place them in the hands of the Mexican judicial authorities.

Millions of people are under a monstrous delusion: they identify the October Revolution with the bloody totalitarian regime that engulfed it, the regime with its "Apparatus" of espionage, corruption and slander; with its Comintern, the organizer of murders, formally dissolved in 1942 but still continuing its evil activities. The time has come for those who continue to grope in the dark to open their eyes. The responsibility for crimes committed in Coyoacan and for other innumerable crimes falls directly—and to a far greater extent than on his contemptible secret agents—upon Stalin himself. The interests of the complete investigation of this exceptional court case demand Stalin's presence; he must appear before the court as the author and arranger of the crime. Stalin bears the responsibility before the world's public opinion, before posterity and before History.

Coyoacan.

April 19, 1947.

Second Year of the Crisis in the Soviet Union

Soviet Economy in the Year 1946

By ERNEST GERMAIN

This article is designed to amplify, render more precise and bring up to date the data relating to the economic condition and acute aggravation of social contradictions inside the Soviet Union. In this sense it is a supplement to "The Soviet Union After the War," printed in *International Information Bulletin*, Vol. I, No. 2, published by the Socialist Workers Party and now on sale.—Ed.

Soviet economy, upon emerging from its most gruelling test in the war, finds itself convulsed by four developments which are undermining the very foundations of its collectivized system. These four developments are:

a) The destruction of an important part of its industrial potential.

b) The drop of the living standards of the masses to minimum subsistence levels and, as a result, a corresponding decline in the productivity of labor.

c) The accentuation of centrifugal forces in agriculture through a large-scale revival of primitive private exploitation in those regions where the war destroyed the technical foundations of collectivization. This is accompanied by an acceleration of the process of differentiation within the collective farms and by primitive accumulation by rich peasants in regions spared by the war.

d) An acute shortage of skilled labor consequent upon the terrible manpower losses of the USSR.

I have shown in a previous article ("*The Soviet Union After the War*") how, even before the termination of hostilities, the bureaucracy had become panic stricken at the magnitude of the dangers confronting Soviet economy and to what expedients it had resorted in order to remedy the situation. The present article is devoted exclusively to the year 1946, that is, to an examination of the relative successes of reconversion and the initial phases of planning.

1. Industrial Production

The realization of the Fourth Five-Year Plan depends on two conditions in the domain of industrial potential: first, the reconstruction of devastated industrial sectors in the western part of the country; second, the reconversion of war industries to peacetime production and their further expansion in the sectors left untouched by the war.

The inter-connection between these two conditions is less direct than had been previously supposed. The bureaucracy had apparently decided in advance to speed up the reconstruction of devastated sectors by other means than through existing internal resources; that is to say, to achieve this through the medium of the "buffer zone" (by looting, reparations, trade agreements, joint exploitation of raw material sources) and by means of foreign credits. The entire development of industry

during 1946 confirms the impression that without the assistance of the "buffer zone," industry would have collapsed.

In the middle of January 1947, the State Planning Commission published its annual report on the progress of the Five-Year Plan. As is invariably the case with Soviet statistics, this conglomeration of figures is self-contradictory and of no intrinsic importance. They provide, down to the smallest detail, the percentage increases in 1946 production as compared to 1945, without, however, giving the slightest inkling of the actual production levels in 1945. Consequently, any exact evaluation of the results achieved in industry in 1946 must necessarily be *fragmentary*, and based on figures derived by deduction. Nevertheless, the picture that emerges is clear enough. It reveals an *exceptionally slow tempo* of reconstruction, with production remaining on levels well below pre-war.

a) Coal Production

The weakest point in the reconstruction—the "industrial bottleneck," as the French weekly *L'Economie* calls it—is unquestionably the scarcity of coal. The Donetz Basin, which yielded before the war one-half of Russian coal production, was left completely inundated, following the German retreat. Its output remained below 50 million tons in 1946 as compared with 82 million tons in 1940. Despite the great exertions of the miners in the Kuznets Basin, last year's total coal production still fell below 140 million tons as against 170 million tons in 1940. The increase in output as compared with 1945 remains extremely low—only 10 per cent, and these figures make it questionable whether it will be possible to attain the target set by the Plan—250 million tons for all Russia and 88 million tons for the Donetz Basin by 1950, an output which calls for an 88 per cent increase of production in four years. [The foregoing figures were calculated on the basis of data supplied by Bettelheim in his book, *Soviet Planning*; the text of the law proclaiming the Plan (carried in the special issue of *Les Cahiers de l'Economie soviétique*), and from articles in the French weekly *L'Economie*, February 13 and 27, 1947.]

The scarcity of coal has produced a creeping paralysis in industry as a whole; blast furnaces were periodically shut down, and trains were stalled owing to lack of coal. This shortage is all the more dangerous in view of the increasingly grave oil shortage. The destruction of many oil wells in the Grozny and Maikop fields; the progressive depletion of the Baku Basin; the lack of equipment for new drilling; the mass deportations of skilled workers from the Caucasus to central Siberia—all these factors make the oil supply of Soviet industry increasingly dependent upon deliveries from abroad. (Let us note, in passing, that the bureaucracy demanded in the beginning the bulk of current Rumanian oil production as reparations, and later compelled the Rumanian bourgeoisie to agree to the formation of mixed Russo-Rumanian oil companies. The same steps were taken in Hungary and in Iran. Up till now, Austria has been resisting the demands of the bureaucracy for direct participation in the exploitation of Austrian oil fields.)

It ought to be added that inadequate metallurgical output has hindered the manufacture of equipment necessary for the rapid revival of production in the Donetz mines. When Marshal Sokolovsky announced his intention to put a halt to all further dismantling of plants in the Soviet zone of occupation, he made a public exception of the equipment of seven mines in Saxony, as "indispensable for the restoration of pits in the Donetz" (*L'Economie*, January 23, 1947).

b) Iron and Steel Industry

According to the report of the State Planning Commission, the metallurgical industry achieved 99.5 per cent of the 1946 targets. At the same time, the report specifies that steel production increased only by 10 per cent over 1945, which indicates how modest were the goals set for the industry last year. The table below gives a picture of the development of Russian iron and steel industry:

	PRODUCTION IN MILLIONS OF TONS*						1950 (Plan)
	1937	1940	1942 (Plan)	1944	1945	1946	
Iron	14.5	15.0	22.0	12.0	12.5	13.5	19.5
Steel	17.7	18.3	28.0	13.0	14.5	15.5	25.4
Rolled Steel..	13.0	?	21.0	10.0	12.0	13.0	17.8

*Figures for 1937 production and the 1942 Plan are cited from Bettelheim. Figures for 1940 are taken from Stalin's election speech as quoted in *Les Cahiers de l'Economie soviétique*, issue No. 4 for April-July. Figures for '44, '45 and '46 were estimated from the data in *L'Economie*, February 2, 1947. The figures in this particular article are rather defective.

In addition, the Five-Year Plan provides for the building and reconstruction of 45 blast furnaces, 165 open-hearth furnaces and 104 rolling mills. But during the first year of the Plan, only a tiny fraction of these objectives has been attained: reconditioned and launched have been six blast furnaces (as against 11 in 1945), 18 open-hearth furnaces (as against 85 in 1945) and nine rolling mills. This tempo must be greatly speeded up if the Plan targets are to be achieved by 1950.

c) Other Industries

Coal and metallurgy are the backbone of industry. Lagging production in these two sectors cause disturbances in all other fields of economic life. We shall presently examine the injurious effects of lagging production in agricultural machinery and consumer goods. Suffice it here to cite several instances of the extremely slow tempo of reconstruction.

In the *non-ferrous* metallurgy, the increase of production in 1946 over 1945 amounted to six per cent in copper, eight per cent in zinc and 19 per cent in lead. But the Five-Year Plan projects increases in output over the pre-war levels amounting to 60 per cent, 150 per cent, and 160 per cent respectively for these three metals. These are dream figures.

In the construction industry, especially important in view of the large number of buildings destroyed, the progress made as compared with 1945 seems to be more considerable. But again production far from corresponds to the pressing needs of reconstruction, and remains far from the pre-war figures:

	1940	1945	1946	1950 Plan
Cement (in mill. tons)	5.63	2.6	4.8	10.5
Window glass (in mill. square meters) ..	44.50	18.2	30.0	80.0

As a consequence of this insufficient growth of the construction industry, millions of Russian families will this winter continue to "lodge" in mud huts, or simply in caves dug in the earth.

2. Bureaucratic Reconversion Suffers from Specific Defects

How explain the extraordinary difficulties which Soviet industry encounters on the path of reconversion?

Undoubtedly, the difficulties in the *basic* industries weigh heavily upon economy as a whole.

But two specific factors play a dominant role in slowing up still further the process of reconstruction of Soviet industry. The reference here is to the manpower shortage and the monstrous spread of looting by the bureaucracy.

Millions of pre-war workers died during the war. Millions of others were wounded and rendered incapable of work. Their place has been temporarily taken by women, by the aged and the very young, mobilized under compulsion during the war. The catastrophic drop in the number of skilled workers has aggravated the effects of the declining living standards of the workers, accentuating still further the decline in the productivity of labor. The bureaucracy has tried to ameliorate the situation by speeding up the training of the youth, who, in their turn, are far from improving their skills. But even from the standpoint of *numbers*, the bureaucracy has been unable to reach its goal. It has set itself the objective of turning out a million young workers from the trade schools by 1950. But in 1946 the number of these youngsters reached only 382,000 as against 350,000 in 1945 (*L'Economie*, February 13, 1947). This number must rise to at least 450,000 if the 1950 target is to be attained.

On the other hand, with the termination of the war, the bureaucracy was compelled to slightly relax the restrictions upon the mass of the industrial workers. The compulsory mobilization by the *state* has ceased; the right of a director to force a worker to remain in a given factory against his will has likewise been abrogated. As a result, there was a mass exodus from the factories; the workers were hopeful of finding "no matter where" better living conditions than in the factory they had just left. Voznessensky, Chairman of the State Planning Commission, himself drew the attention of the bureaucracy to this state of affairs, when in presenting his draft Five-Year Plan, he stated:

There are still among us not a few directors of enterprises who expect to "receive" manpower by means of mobilization. These directors do not understand that the difficulties in hiring labor under post-war conditions do not arise from accidental causes [hear! hear!], and that these difficulties cannot be surmounted except by introducing new working conditions. To assure themselves of a labor force, the enterprises must change over to the practice of systematically hiring workers through individual contracts with isolated workers as well as with the collective farms . . . (Voznessensky, *The Soviet Five-Year Plan*, Paris, Editions sociales, 1946).

We can get an idea of what this advice means in practice by examining a little more closely these "two methods of hiring." The "contract with the collective farms" comes down in practice to the odious "slave market" already denounced by Bettelheim (*op. cit.*, p. 116). It "binds" a leading functionary in the collective farm to "deliver" a specified number of workers within a specified time to a given enterprise. This system, with all that it involves in the way of compulsion in "selecting" and "delivering" workers from the collective farms, has, in the first instance, led to mass desertions of miners recruited in this manner. In issue No. 4 of *Les Cahiers de l'Economie soviétique* it is stated "it is henceforth necessary to assure a stable labor force; it is necessary to make sure that no worker leaves the mine, once he has made up his mind (!) to work there. . . ."

"Contracts with isolated workers" likewise means the resumption by professional recruiters of veritable ambushes organized on the outskirts or in the heart of large industrial centers, where these recruiters "detain" thousands of able-bodied men who migrate constantly in order to escape the

beauties of collective farms and of "socialist" factories. They are promised papers and passports on condition that they agree to hire out with a certain factory and they are threatened in case of refusal with delivery into the hands of the GPU which will promptly deport them to forced labor camps, as penalty for "illegal traveling."

The second factor retarding reconstruction is the monstrous increase in looting by the bureaucracy. The wartime abolition of "director's funds" ostensibly intended for the payment of supplementary bonuses to workers but serving in reality as the chief source of bureaucratic "spoils" has caused the insatiable greed of these parasites to be diverted toward the circulating capital, the wage funds, the inventory, the tools, the finished products and even the machines of "their" factories, which they dissipate in huge amounts. Beginning with July 1946 the Soviet press found itself compelled to denounce this scandalous state of affairs. The negligence, incompetence, and utter dishonesty of the bureaucracy once again began to figure prominently in the columns of the Stalinist press; and the monotonous enumeration of these interminable cases of theft, embezzlement, waste and illegal diversions gives us every right to regard the *increased looting* by the bureaucracy as one of the chief brakes upon the reconstruction of Soviet industry.

It remains to examine the degree to which the situation has been actually ameliorated by the resources of the "buffer zone" which the bureaucracy considered as its "surest aid" in reconstruction. However preponderant may be the influence acquired by the USSR over the economy of the countries in the "buffer zone," if the question is approached from the standpoint of these countries, then the contribution of their imports to the needs of Soviet economy appears in reality negligible. Here are some of the amounts imported by the Soviet Union in 1946 and the corresponding percentage of Soviet production:

Rumanian oil—1,800,000 tons, or 6 per cent of Russian production.

Polish coal and coke—4,600,000 tons in the first six months, or 6½ per cent of Russian production in the same period.

Polish chemical products—250,000 tons in the first six months of 1946, representing about 8 per cent of Russian production for the same period, which moreover fell far below the target figures.

Hungarian cement—250,000 tons, or 5 per cent of Russian production, and so on. [The foregoing figures were taken from the *Quarterly Review of the National Economic Bank of Poland*, September 1946 and from the economic section of *Neue Zürcher Zeitung* which has carried the most precise available information concerning the foreign trade of countries in the "buffer zone."]

Finnish lumber, Polish and Hungarian textiles, Czechoslovakian footwear, while constituting considerable amounts, do not come to even 1 per cent of current Soviet production.

By far more important aid came in the form of deliveries of Czech industrial equipment (to the amount of more than one billion Czech kroner) and in the form of dismantled German factories. However, this aid was far below the equipment "imported" in 1945 from Manchuria, Germany, Austria, Poland, Rumania, Czechoslovakia and Finland which permitted the restoration of numerous Russian factories destroyed during the war. As for the assistance deriving from the Russo-Swedish trade agreement, it will make itself felt only during 1947. (This trade agreement, which has not been publicized too much by the Anglo-American press, merits an independent study.)

3. The Famine and the Crisis of Collectivized Agriculture

The food situation appeared rather favorable at the beginning of 1946 in Russia. Extensive UNRRA deliveries of meat and fats in large part fed the Ukraine and Byelorussia. The war stocks of food were far from exhausted, and although they were far from ample to guarantee the Soviet masses a "normal" diet, Stalin was able in February 1946 to promise the early abolition of bread cards.

Unfortunately, a natural catastrophe precipitated a crisis which had been prepared by the interplay of economic factors (the reduction of reserves, contraction of areas sown to wheat, decline in crop yields per hectare consequent upon the relative demechanization, shortage of seed, agricultural equipment, etc.). The drought which started in March in Moldavia spread progressively as far as the Volga, embracing an area greater than that scourged by the terrible drought of 1921, and resulting in an extremely bad harvest.

The report of the State Planning Commission compares the scope of the disaster with 1921 and 1891, the years of the worst famines known in Russia in modern times. The report adds, to be sure, that this time the worst had been avoided thanks to assistance rendered by trans-Ural agricultural regions. But as the London *Economist*, February 8, 1947, remarked, the reference to a 50 per cent increase in crops of Western Siberia and Kazakhstan must be regarded in the light of an admission made by *Pravda* some weeks previously to the effect that the total land area sown to wheat beyond the Urals is today below the acreage sown in 1941.

The likelihood under these conditions is that the grain harvest has yielded only 70 million tons as against 73.4 million tons in 1928, 115 million tons in 1937 and 120 million tons in 1940. The sugar beet harvest has meanwhile risen to 15 million tons as against 14 million tons in 1930, 16.8 million tons in 1936 and 20.95 million tons in 1940. [Production figures for 1946 are from *L'Economie*, January 9, 1947; the comparative figures are from the book by Bettelheim.]

Toward the beginning of autumn, the bureaucracy began to take into account the failure of the plan for agriculture. The measures for terminating the bread rations were suddenly suspended. A large-scale campaign for an *all-out mobilization* to gather the harvest was launched by the Soviet press, accompanied by the customary demagogic propaganda on the subject of "socialist competition." The collective farms in the Altai region decided "with enthusiasm" to make larger grain deliveries to the state than had been anticipated. Other regions followed suit, among them, to believe Soviet statisticians, Lithuania. (The amount of "extras" for Lithuania is given as one million puds, i.e., 16,380 tons, which is less than 1 per cent of pre-war grain production.) It is sad to state that "socialist competition" far from having as its objective to provide "each according to his needs" had to be undertaken in order to rescue the country from stark famine. . . .

Failing tractors, there is no collectivization; failing the reconversion of war industry to peacetime production, there are no tractors. This perfect syllogism is being verified in Russia in a way that is most painful for "socialist" agriculture.

The total quantity of Russian tractors appears to have been reduced during the war from 523,000 to 390,000; the number of harvesters and threshing combines from 182,000 to 133,000, or respective declines of 25 and 27 per cent. (*Les Cahiers de l'Economie soviétique*, No. 4, April-July 1946, page 33.) But

the bulk of agricultural machinery which remained in Russia was concentrated in regions untouched by the war. However, in these areas there has not been an increase but on the contrary a reduction in areas sown and in crop yield per hectare, as is confirmed by an article in *Moscow News*, January 1, 1947. This article goes on to say that the state *will increase* the number of tractors in these regions by 5,280 in 1947 and by 14,000 in 1948. It therefore follows that only an infinitesimal fraction of the total available agricultural machinery has been transferred to the liberated regions. The latter therefore remained entirely dependent on current production, which was in its turn contingent upon the success in reconverting the tank factories in Khakov and Stalingrad into tractor factories.

The report of the State Planning Commission acknowledges the complete flop of this reconversion. The extent to which the objectives set for 1946 have been fulfilled is given as—70 per cent. *L'Economie* ventures the opinion, January 9, 1947, that this represents 60 per cent of pre-war production, which was more than 170,000 tractors and 50,000 combines. We are under the impression, however, that even this figure is far greater than the actual one. In fact, Voznessensky fixed as the goal to be attained at the end of the Five-Year Plan a total of 720,000 tractors, which requires the production of about 330,000 tractors in five years' time, or an annual average production of 66,000 tractors. Now, the Plan must have assuredly set the target for the first year at a figure below this average. Of this lower figure, in turn, only 70 per cent has been attained. This leads us to conclude that the figure of 34,000 tractors suggested by *The Observer*, March 2, 1947, is much more probable, at all events, than the figure of 100,000 tractors, proffered by *L'Economie*.

It is not difficult to calculate the effects of this state of affairs upon the *structure* of Soviet agriculture. As is well known, beginning with 1946 the Soviet press has carried lengthy reports of, and numerous references to, the disruption of the collective farm system in the liberated territories. Data is completely lacking to determine just how successful has been the struggle launched against the preponderance of small-scale private agriculture, pursued with the most primitive methods on a greatly reduced cultivated area (scarcely one-third of the land formerly cultivated was ploughed in 1945). But it may be assumed that the bureaucracy which itself admitted that "most of the work in the fields will have to be again done this year by manual labor"* found itself under these conditions greatly handicapped in even beginning the struggle against private exploitation of land. Unable to supply the peasant with either fertilizer or seed or agricultural machinery, and seeing the peasant driven to the verge of starvation by the drought, it had to limit itself to dispatching a minimum of provisions to the stricken areas, and for the rest, it had to await more favorable conditions in order to force the peasant to till more land than his own tiny plot of ground.

Completely different is the picture in the Soviet territories spared by the war. Here the state constantly demanded ever greater deliveries in kind during the war in order to supply the needs of the army and of the besieged industrial cities. On the other hand, the total production of these regions, as we have already stated, tended to decline and not to increase within the collectives. Taking into account the fact that these collective farms, as issue No. 4 of *Les Cahiers de l'Economie soviétique* cynically puts it, had "increased by 250 per cent between 1942 and 1944 their production of unconsumed wheat,"

**Les Cahiers de l'Economie soviétique*, No. 4, April-July 1946, page 33.

the total amount of produce remaining in the collectives, on the basis of which the value of each work-day was determined, must have declined progressively, dropping even to the point where it no longer sufficed to cover the peasants' own needs for agricultural products. As a consequence this gave rise to a general tendency to devote greater efforts to private land strips, not so much with a view to increasing production as to guarantee the subsistence of the producer himself, and especially to profit from the universal scarcity of foods through the sale of surplus private products on the free market. Parallel with this tendency there was the pressure of the privileged elements in the collectives for the systematic extension of private land strips and for the growth of private income through intensified exploitation of the peasant poor. The consequences of this pressure are graphically revealed in the motivation for the decree issued by the Council of Ministers, September 19, 1946, on the reorganization of the collective farms (*Izvestia*, September 20, 1946).

4. The Bureaucracy in the Collectives: Theft, Pillage, Embezzlement

This decree begins by listing the four "evils" which have developed in the collectives during wartime:

a) The enormous *bureaucratization* of agriculture. The administrative apparatus of the collectives swelled beyond bounds during the war. Thus even in 1946, 17 per cent of the work-days in the Pensa region were paid out to the administrative apparatus, and as much as 18 per cent in the Tambov region. (These two regions are among the most fertile in Central Russia.) It is beyond doubt that a horde of useless "specialists" had been systematically "taken care of" in the apparatus in order to prevent their being conscripted into the army or returned to the devastated regions. An equally widespread practice was the complete abandonment by a particularly prosperous peasant of any work in the fields, and his receiving instead payment as "administrator," as the decree says, "without performing any labor whatever."

The administrative apparatus does not rest contented with living parasitically off the productive labor of the mass of the collective farmers. The repairs made by the bureaucrats on their houses, the shoes and clothes which they had made for themselves—all this was paid for as "work-days" debited to the collective, that is, the mass of the peasants.

b) *The looting of collective lands* by the bureaucracy and by the rich peasant layers. By a decree of April 2, 1942, the People's Commissariats of the federated and autonomous republics were authorized to transfer all *uncultivated* collective land to political organizations, military authorities and industrial enterprises. This measure was dictated by the disorganization of the transport system which had to give priority to military shipments and those indispensable to the war industries, leaving many factories and army camps faced with the risk of being cut off from food supplies for weeks at a time. In addition, the utilization of this land supplied a means of increasing the supply of scarce agricultural products, expressing, once again, the pressure of centrifugal tendencies in Soviet economy during the war. From an article in *Izvestia*, September 7, 1946, we get a picture of the way in which the bureaucracy and the rich peasants have applied this decree. While the mass of the peasants kept devoting greater and greater attention to their own private land strips, regarding work on the collective farm lands more and more as forced

labor for which they received little or nothing, the bureaucracy appropriated the best lands, brutally swept aside even formal contracts with the collectives, and stimulated the progressive partition of land among the richest layers of the peasantry. In this connection, *Izvestia* cites the following figures: In the Chelyabinsk province (beyond the Urals) the administration harvested on their own account and for themselves more than 8,000 tons of wheat, of which only 2 or 3 per cent were delivered to the state. In the Bredin region of the same province, 22 administrations, totalling 50 bureaucrats, disposed of 47.5 hectares, almost one hectare per person. . . . If there is famine in Russia, it will not be the bureaucrats who go hungry this year.

c) Bureaucrats, administrators and functionaries compel *free deliveries* from the collectives of cattle, grain, fruit, milk, honey and so on. They have become accustomed, as *Izvestia* for September 26 shows, to "*help themselves lavishly and without shame from the property of the collectives, as if they were dipping into their own pockets.*" The same day's issue of *Pravda* relates the amazement of a young girl in a collective when she was asked why the collective administration was in the habit of sending jugs of wine to the directors of the Machine and Tractor Stations. Her reply was: "You can't get anything without jugs of wine." It has been a long time since we have run across from a Stalinist pen, so rigorously exact and sociologically correct a definition of the bureaucratic regime reigning in the USSR. Let us likewise take note of the pungent phrase in the text of the decree of the Council of Ministers which states that the director of collectives are "often in the habit of selling to 'privileged persons' (!) the products of community labor at prices below the costs of production."

d) It is self-understood that the members of the collectives did not "elect" or appoint this army of parasitic functionaries, to whom the decree refers in passing as "being better paid than the productive workers." Meetings of the membership of the collective farms no longer take place; the functionaries are "quite simply" appointed by the authorities. Isn't it rather astonishing that not a single complaint on this score appeared in the Soviet press prior to the sudden unleashing of this campaign from the top? Should it be assumed in this connection that the peasants found this system to be "quite simply" natural inasmuch as they have been accustomed to nothing else for the last 20 years? Or could it perhaps be that the Soviet press, which according to the Stalinist constitution, is "at the service of workers and peasants" remained inaccessible to complaints from below?

As a consequence of this bureaucratic regime, declares the decree of the Council of Ministers, "the collective farm peasants have been unable to wield the slightest influence over the administration and over the distribution of the revenues (!) of the collective, which has led to abuses (!) on the part of the collective farm administration, who deem themselves independent of the mass of members and who lose all sense of responsibility toward them."

In other words, the bureaucratic system which fixes the attention of the functionaries exclusively upon those above them, and which penetrates like gangrene into all spheres of social life, engendering cynicism, corruption and the rebirth of the lust for personal gain, has led in wartime to the growth of a local bureaucracy in the villages whose bonds with the bureaucracy "in the center" are rather tenuous and who rob and plunder the mass of the peasantry, driven to harder labor than ever before.

Such is the beautiful panorama of Soviet millionaires, acclaimed by Stalinist propagandists as a "happy sign that permits us to hope that the Soviet Union will become . . . a nation of happy and prosperous people. . . ." (Reginald Bishop, *Soviet Millionaires*, published by Amitiés Belgo-soviétiques, Brussels, 1946.)

5. Bureaucratic Remedies for the Bureaucratic Evil

Confronted with famine and decollectivization in Western Russia, the Stalinist bureaucracy found itself compelled under the most difficult conditions to launch a struggle against the petty bourgeois and centrifugal tendencies in the country. The economic struggle against bureaucratism and against the plundering of the collectives is possible only under certain economic conditions. In order to get the peasant to work more in the collective farm and to limit his efforts on his own private land strip, it is necessary that he receive the exact equivalent for his day's work, and that the net product of the collectives be distributed without the falsified bureaucratic procedures listed above. It is likewise necessary that in return for his day's work, paid for in large part in paper rubles, he is able to buy from the cooperatives rationed consumer goods of a better quality and at a lower price than those for sale in the free market. It is above all necessary for this operation to be more advantageous to him than his transporting and selling in cities the surplus produce from his "own" little plot of ground, and his buying consumer goods at exorbitant prices in the free market. That is to say, it is necessary, in the first instance, to have an adequate quantity of consumer goods at "official" prices.

We shall return later to the economic aspect of this problem. Let us state here that in the struggle which it seeks to initiate against the petty bourgeois tendencies, the Stalinist government finds itself compelled to go over completely to the side of the economic mechanism that gives rise to these self-same tendencies. The bureaucratic evil is being combatted with bureaucratic methods, that is, with threats and intimidations, with "decrees," and, last but not least, with the creation of a new "control corps" which is this time directly dependent upon the central administration.

The September 19, 1946 decree of the Council of Ministers provides the following measures to rehabilitate the collective farms:

a) The directors of the party and government organizations are instructed within a period of two months to "reduce" their bureaucratic apparatus to "more suitable proportions."

b) By November 15, a revision of peasant property must be effected with the aid of the land register, reestablishing the original scope of collective farm property. All autonomous administration by factories, local boards and military authorities is to be abolished. These lands must be restored to the collectives.

c) The "democratic foundations" are to be reestablished inside the collectives. All the chairmen and functionaries must "once again" be elected. The decree does not go on to specify—and for good reason!—the "ways and means" of implementing the decree so as to enable the poor peasants to rid themselves of the pressure of the rich collective farmers and local bureaucrats and thus render this "democracy" effective.

d) Henceforward each "unauthorized" incursion upon the property of the collective farms is punishable as a criminal

offense and an act endangering the safety of the state (this threat at least ought to be "well understood").

e) A special Ministry in charge of the collective farms is created within the central government, with a Minister who will dispatch his controllers into all the federated and autonomous republics. These will inspect on the spot the integrity of the collective farm property, safeguard the collectives and defend their statutes.

What have these measures produced? Thus far we have only one set of figures at our disposal: the Minister of Agriculture, Benediktov, has announced that 11 million acres (almost 5 million hectares) have been restored to the collective farms. This huge figure, representing almost 5 per cent of the total arable land and exceeding the entire sown area of Byelorussia and the three Baltic countries, provides an idea of how rapidly the rich peasantry and the bureaucracy have proceeded with the appropriation of land. Conversely, it gives no idea at all of the extent to which this appropriation has been abolished, since there is no indication of what proportion of all the appropriated lands is represented by these 11 million acres. The centralized bureaucracy, subjected to the Bonapartist apparatus, is now in one way or another "ousting" the local bureaucracy, which tends to consolidate itself with the rich peasant layers. This process, which bears some resemblance to what happened during the transition from the NEP to planned economy, is now running up against economic obstacles of an entirely different character. In 1928 the resistance of the peasantry was broken by the destruction of the private exploitative layers and the installation of the collective system. The enthusiasm of the broad working masses for the transition to industrialization was undeniable. The present peasant resistance arises from the excrescences of the collective system; it has the support of a large section of the lower bureaucracy and runs up against the accumulated hatred of the working masses toward the Stalin regime. The relationship of forces has altered, and it has not altered in favor of the bureaucracy. That is why the latter sees itself obliged to recognize the pressure of the peasants, and to adjust its prices and wages policy so as to favor the interests of the peasantry.

6. The Prices and Wages Policy up to September 16, 1946

During the war, the collective farm production tended to decline. The peasant, who was not paid adequately for his day's work in the collective, eked out his existence by increasing production on his own little plot of land, and by selling the surplus in the free market. The government favored the trend toward the free market, as the sole means of spurring the peasant to increase production.

In this way, the prices on the free market developed in accordance with the law of supply and demand and provided one of the best indications of the inflation of the ruble. Prices rose to astronomic heights, reaching their peak toward the end of 1943. (This data comes from the objective and conscientious study of H. Schwartz, *Prices in the Soviet Economy*, published in the December 1946 issue of *American Economic Review*.) At that time the price of bread on the free market was 130 times the price of rationed bread; meat was 60 times dearer on the free market than in the ration stores; sugar cost 220 times as much, with a kilogram selling for a total monthly wage of an average worker.

Certain writers perceived in the establishment of the free market a movement that was destined to promote an increase

of industrial production, above all, of per capita production. The workers who produced above the "norm" would be remunerated by bonuses with which they could purchase products on the "free" market. In reality, the free market levels were such that a worker with his wages could not buy more than a kilo of bread a week, or a pound of sugar a month. It is obvious that such an "incentive" could not act strongly on the workers. On the other hand, this incentive proved altogether effective for the peasants, who even before the war were avid for money, and who were attracted by the big sums they received for their agricultural products.

However, there was no corresponding supply of consumer goods to cover the peasants' receipts on the free market. The peasants began to hoard and the "first millionaires" appeared. While seeking by means of war loans to siphon off into the coffers of the state this inflationary purchasing power, the bureaucracy found itself nevertheless constrained to take into account the powerful urge of the prosperous peasants to find on the free market some counter-part for their paper rubles. At that time, in April 1944, the government decided to open up "commercial stores" in which the State itself would sell freely foodstuffs and consumer goods. In this way it sought to offer a counter-part for the purchasing power of the rich peasants, while exerting under the guise of "competition" pressure toward lowering the "free prices" on foodstuffs. This policy was not without success. The prices of foodstuffs began to drop slowly. After the entry of Soviet armies into the "buffer zone," the "commercial stores" began receiving quantities of consumer goods, and when Russian production in this sector also recovered, it was directed in its entirety into these commercial stores, from which the peasants made haste to profit.

The wages of industrial workers had in the meantime remained more or less stable. The increase in total wages consequent upon the prolongation of the working day was neutralized by reductions in bonuses and by a considerable increase in deductions at the source—which resulted in lowering individual incomes. (An emergency "war tax" was introduced, slashing into all incomes on a progressive scale, but invariably cutting wages by more than 10 per cent. To this were added war loans to which the workers were constrained to subscribe "voluntarily." These subscriptions amounted to 8 and even 10 per cent of the nominal wages.) The prices of rationed goods remained rigorously stable and thereby even the worst paid workers were able to buy all their rations, the cost of which varied between 75 and 125 rubles a month, depending on the category and quantity of rationed products. Thus each worker had his *guaranteed minimum of necessities*, such as they were, and only the highly skilled workers and the bureaucrats could afford to buy supplementary goods on the free market.

In the course of 1945, conditions improved considerably for the population as a whole. The prices of foodstuffs in "commercial stores" and in the free market dropped considerably. The net income of the workers increased, with the abolition of war taxes and war loans. (Thus despite the continued inflation, the "direct taxes" in the Soviet budget dropped from 40 billion rubles in 1945 to 23.5 billion in 1946.) After five years of terrible privations, a universal demand for consumer goods made itself felt, a demand which the total volume of goods on the free market did not meet at all. The bureaucracy anticipated at the time a twofold result from the production in 1946: first, the possibility of abolishing the rationing of many agricultural items, thanks to a large increase in agricultural production. The prices in the free market would in the mean-

time have dropped low enough to make possible, by slowly raising the prices of rationed products, the establishment of a "single price," after the abolition of rationing, which would be a real price, without provoking a new black market. The reduction in the peasants' money reserves would relieve the pressure on the means of consumption in the market. The increased production in this field would produce a certain equilibrium between supply and demand, and would likewise permit the stabilization of prices, even if at levels higher than the food prices. In February 1946 Stalin announced the forthcoming abolition of rations on bread, flour, oats, fats and several other items. By 1947, all ration cards would be abolished. At the same time, foreign observers were all in accord that at the beginning of 1946, the free market and the "commercial stores" were filled with food products, whose prices had declined sharply. But the disproportion between the supply and demand of consumer goods increased instead of decreasing. In addition, the discontent of the peasants grew in the same measure as the bureaucracy pressed its offensive against the private sector in agriculture. It was under these conditions that the extremely bad harvest came, and the bureaucracy found it necessary to preempt this harvest in its entirety in order to avert famine. At that time, too, the press began to denounce numerous collective farms for their altogether inadequate state deliveries of grain. It was then that the bureaucracy decided to make a series of concessions to the peasants, inaugurating a new policy of wages and prices, and a new policy toward the cooperatives.

7. The Decisions of September 16, 1946

On September 16, 1946, three days before the publication of the decree on the reorganization of the collective farms by the Council of Ministers—the connection between these two decrees is certainly not accidental!—the Stalinist government decided to triple the prices of all rationed products, to increase slightly the wages of the lowest paid workers and to cut by 25 to 40 per cent the prices in the "commercial stores." Towards the end of 1946 the bad harvest produced a tremendous new rise in food prices. The tables below show the evolution of prices in the two sectors:

TABLE I
PRICES IN RUBLES OF RATIONED GOODS (PER KILO)

	Up to September 16, 1946	After September 16, 1946
Black Bread	1.10	3.40
White Bread	1.70	5.00
Sugar	5.50	15.00
Butter	28.00	66.00
Meat	14.00	34.00

TABLE II
PRICES IN RUBLES OF GOODS IN COMMERCIAL STORES

	Winter 1943/44	Summer 1946	October 1946	January 1947
Black Bread (kilo) ..	30/35	10	7.50	40
Sugar (kilo)	800	130	60	200
Butter (kilo)	1000	210	140	800
Shirt	500	400	300	300
Footwear (ordinary) .	2000	700	500	500
Clothing (ordinary) ..	2500 and up	1500	1000	1000

The data in above tables was compiled from: *Les Cahiers de l'Economie soviétique*, No. 4, pp. 24-25; *Neue Zuercher Zeitung*, September 18 and October 18, 1946; H. Schwartz, "Prices in the Soviet War Economy"; *Manchester Guardian*, February 26, 1947.

The increases in monthly salaries were as follows:

- For wages below 300 rubles—increase of 110 rubles.
- For wages between 300 and 500 rubles—increase of 100 rubles.
- For wages between 500 and 700 rubles—increase of 90 rubles.
- For wages between 700 and 900 rubles—increase of 80 rubles.
- No increases for wages above 900 rubles.
- For pensions and scholarships—60 rubles increase. (*Neue Zuercher Zeitung*, October 18, 1946.)

These measures are a brutal acknowledgment of the shifts in the distribution of income which have taken place in the course of the war. Their effect is to rob the workers of the minimum necessities which they were guaranteed by rationing at low prices, while at the same time revising upwards the real income of the swollen nominal revenues of the bureaucracy and the well-to-do peasants. The brutal slashing of the real wages of the workers robs them of any possibility of using their purchasing power for consumer goods, which once again become accessible to bureaucrats and rich peasants, but at lower prices than during the war. Moreover, in contrast to what happened in most of the warring countries where the peasantry hoarded and where, since the termination of hostilities, their purchasing power was greatly diminished either by the rise in prices for consumer goods (the United States, neutral countries, etc.) or by the withdrawal of a large portion of the paper currency (Belgium, Holland, France, Czechoslovakia), just the opposite development is taking place in Russia where the mass of paper currency hoarded by the peasants remains intact and has now acquired a *higher* purchasing power.

This policy pursues the following objectives:

- 1) To guarantee the peasants a real return for their savings and their nominal incomes.
- 2) To compel the workers to increase their output, in view of the fact that without bonuses they are no longer able to purchase even their rations.
- 3) To try to stabilize the ruble at approximately half of its pre-war value and to set the stage for introducing uniform prices.
- 4) To concentrate the purchasing power of the workers exclusively on food products.

It is necessary to understand that this latest brutal slash in living standards of the masses in reality expresses the *inflation of the ruble*. This "planning" of prices is not so much a measure to retard or limit the action of the laws of the market as it is an attempt to meet them half-way. In this sense we find expressed here the relation of forces between the *classes* and between two antagonistic social systems, a relationship which has been modified to the benefit of the petty bourgeoisie.

We can gain some conception of the shift in real incomes from the following tables which give the *purchasing power* of four types of families among the Russian population; each family has 2 children below the age at which they can earn their own living. The family of type I consists of a husband who is a semi-skilled worker and his wife, an unskilled worker; in the family of type II, the man is a highly skilled worker, and his wife, semi-skilled; type III involves an average bureaucratic family where the man is a factory director; and type IV is a family of well-to-do peasants.

FAMILY TYPE I

	Feb. 1943	Feb. 1946	Feb. 1947
Gross income (man)	500	500	600
Gross income (wife)	200	200	310
Total	700	700	910
Deductions (man)	100	35	45
Deductions (wife)	30	12	20
Rent, light, etc.	60	60	60*
Children's canteen	150	150	300**
Canteen for man and wife ..	304	304	
Rations for man and wife ..	(200)	(200)	600
Total	644	561	1025
Balance	56	139	deficit of 115

*The figure cited has been derived from data in issue No. 4 of *Les Cahiers de l'Economie soviétique*. We have assumed that 1946 rents have not been increased, but this still remains to be confirmed.

**The children eat in school, and must pay for this canteen service a relatively small price. The increase from 75 to 150 rubles per child, in September 1946, is our own estimate.

The 56 rubles in 1943 were equivalent to one-quarter of supplementary rations.

The 139 rubles of 1946 were equivalent to 7/10 of supplementary rations.

The 1947 income does not suffice for the purchase of all the necessary rations.

FAMILY TYPE II

	Feb. 1943	Feb. 1946	Feb. 1947
Gross income (man)	1000	1000	1000
Gross income (wife)	500	500	600
Total	1500	1500	1600
Deductions (man)	305	125	125
Deductions (wife)	100	35	45
Rent, light, etc.	60	60	60
Children's canteen	150	150	300
Canteen for man and wife ..	304	304	
Ration price	(200)	(200)	600
Total	919	674	1130
Balance	581	826	470

The respective balances are equivalent to the following:

581 rubles in 1943 was equal to 10 kilos of potatoes and five eggs.

826 rubles in 1946 was equal to 50 kilos of potatoes, 1 kilo of meat, 1 kilo of butter, or 1 pair of shoes and 1 pair of pants.

470 rubles in 1947 was equal to 30 kilos of potatoes or 1 pair of shoes.

FAMILY TYPE III

	Feb. 1943	Feb. 1946	Feb. 1947
Gross income	2500	2500	2500
Deductions	900	350	350
Rent, light, etc.*	100	100	100
Children's canteen	150	150	300
Man's canteen**	200	200	400
Woman's rations	75	75	225
Total	1425	875	1375
Balance	1075	1625	1125

*While paying rent only slightly higher than that paid by workers, the bureaucrats have at their disposal modern apartments, or quarters in

the new buildings of the great cities, which are in any case luxurious compared with the rooms of workers.

**The administrative personnel eats in special dinings rooms, which are kept apart from the workers' canteens. They are more expensive but offer food that is far better and tastier.

The equivalence of the respective balances is as follows:

1075 rubles in 1943 was equal to 10 kilos of potatoes and $\frac{3}{4}$ kilo of butter, or 1 shirt and 6 pairs of socks.

1625 rubles in 1946 was equal to 50 kilos of potatoes and 4.5 kilos of butter, or 1 pair of pants and 1 pair of shoes.

1125 rubles in 1947 was equal to 50 kilos of potatoes and $\frac{1}{2}$ kilo butter, or 1 dress and 2 pairs of socks.

FAMILY TYPE IV

10,000 rubles in savings could buy in 1943, five pairs of ordinary shoes (always very scarce).

10,000 rubles in savings in 1946 could buy 14 pairs of ordinary shoes, which could be obtained more readily.

10,000 rubles in savings in 1947 could buy 20 pairs of ordinary shoes, which could be obtained even more readily.

8. The Strengthening of the Cooperatives

Wherever wages do not permit the satisfaction of minimum needs, it is impossible to seriously combat the tendency to seek for supplementary means of income. On the other hand, the acute scarcity of consumer goods renders perpetual and universal the tendency to seek for supplementary amounts of these products—and supplementary in this context signifies something outside the framework of legal trade in "free" or rationed goods. These two tendencies do not encounter each other except on Sundays at the "market-place" or the "bazar" and this rendezvous becomes the constant goal in the social life of each individual. Already during the war, after 11 hours on the job, the worker would go to repair his foreman's roof or paint his kitchen. Another would "borrow" some tools from the factory and spend the night laboriously turning out kitchen utensils, or pieces of furniture or crude agricultural tools. One hour of this kind of supplementary labor yields him more than a day's work in the factory. In turn, the purchaser of products of these supplementary labors is in this way able to obtain commodities for which he would have to wait six months or pay three times as much at the bazar. This simple commodity production is a constant concomitant of Soviet economy, insofar as the latter, while preserving the monopoly of the industrial means of production, proves incapable of satisfying the toiling population's needs for consumer goods.

Soviet economic life, as it appears on the "surface," with its very powerful heavy industry, Dneprostroy and industrialization in general, is coupled with a complementary economic life which often escapes the notice of superficial foreign observers and which is not listed in the statistics. On a local scale, there exists a network of commercial exchanges, based on the one hand on the super-abundance of money and on the other on small handicraft production carried on by workers and poor peasants. In the small Soviet towns, alongside of the gigantic combine, the historical process once again unfolds itself on a miniature scale through all its successive stages. Proceeding from barter, this "complementary" economy quickly assumes the form of a simple exchange of commodities, which leads to the direct purchase of labor power,* and even the con-

*It is quite customary in many regions for workers to hire themselves out at wages set in advance for the construction of a house or a workshop, for work in a garden, or in a handicraft shop, or for a well-to-do peasant

struction of small factories "not provided for in the plan."** The common link between these various forms of economic activity and the "official" Soviet economy, separate and apart from the pressing needs which the latter leaves unsatisfied, is supplied by the theft of raw materials by the "parallel" producers.

There can be no doubt that the Soviet authorities were well aware of what was going on, but they lacked the means for coping with it, that is, the regime of collectivized economy lacked the necessary resources for waging an economic struggle against these tendencies. Before the war, these tendencies were kept restricted within "normal" bounds, without making themselves heavily felt in the balance of Russian social forces. The extreme scarcity of consumer goods invested them with extraordinary importance during the war. The expansion of the "free" market and later the opening of "commercial stores" acted to stimulate these activities still further. In exchange for the sum received from a peasant for a hammer which a worker had just made, the worker could legally buy a pair of shoes on the free market. The concessions to individualistic tendencies within the *peasant* sphere tend to create more and more conditions and increasing pressure for the expansion of individualistic tendencies in the sphere of handicraft production. It is necessary, in the first instance, to discern an open recognition of this impetus and of its scope in the decree of November 12, 1946.

Toward the end of the First Five-Year Plan, the producers' and consumers' cooperatives lost the first-rate importance which they had previously enjoyed for several years. Consumers' cooperatives, which by 1930 had a veritable monopoly of retail trade, were rapidly pushed out of the cities by the competition of state-owned stores (Bettelheim, *op. cit.*, p. 248). Later on their sphere of activity was restricted by law to the countryside, and they were confined to selling to their members rationed products delivered by the state. In other words, they were reduced to the rank of a subordinate factor in state-ized economy.

The same thing happened with the producers' cooperatives, the famous peasant "*artels*." They were likewise completely integrated into the planning and obligated to fulfil the industrial orders of the state. An article by Malyshev, quoted by Bettelheim (*op. cit.*, p. 32), set at 5½ per cent their share in the total industrial production of the USSR in 1937.

The November 12, 1946 decree represents a turn in policy with regard to the cooperatives. *Stimulation of private initiative*—that is the goal that has been placed on the order of the day. Henceforward, the consumers' cooperatives may establish branches in the cities, they may purchase foods and consumer goods directly from producers and sell them at freely fixed prices, which may not, however, exceed the prices in the "commercial stores." Producers' cooperatives are exempted

or a "townsman" in easy circumstances. Equally widespread is the phenomenon of poor collective farm peasants working for a daily wage in a "rich" *kolkhoz* (Leon Trotsky, *Revolution Betrayed*); or of the hiring of workers from nearby factories, after workhours, by factory directors who lack manpower and who are afraid of falling short of the plan. Bettelheim, in his book (p. 33) cites a passage from *Pravda*, April 21, 1938, denouncing the hiring of outside labor for a cooperative by the collective farms.

**A government decree, carried by *Izvestia*, October 23, 1938, prohibited industrial enterprises within the collective farms; but the scope of this text is not made clear. (Bettelheim, *op. cit.*, page 33.)

from their obligations to the plan and are free to devote themselves to the production of consumer goods. They may likewise sell their products directly to consumers, in stores of their own. Their growth is to be aided by the government which will deliver to them, among other things, 7,000 trucks, necessary machines, tools and raw materials. The cooperatives have been by and large freed from various kind of taxes. The local authorities are instructed to extend them all the necessary facilities, grants of land and buildings for stores and workshops.

The Soviet government has set up a general directorate for cooperatives which will control their activities and which has fixed a production plan for 1947, providing for the creation of 2,500 new workshops and 2,000 new stores and an output of 500,000 beds, 4,000 tons of household goods, 250 million rubles worth of furniture, 5 million pairs of skis, 23 million pairs of boots, 5,000 tons of thread and 35 million meters of cotton cloth. (*Neuer Zuercher Zeitung*, January 1, 1947.)

These measures must be viewed both in the light of "the breaking through of individualistic tendencies in the sphere of handicraft production," as well as in the light of the acute scarcity of the means of consumption, which endangers the governmental policy of revaluating the incomes of big peasants. In its own way the juridical recognition of the existence of inflationary purchasing power which, because of the scarcity of consumer goods, become a permanent pole of attraction for artisan production. The government is powerless to suppress this activity; it will try from now on to *include* it more or less in its planning, that is, it will tolerate it so as to be able to control it. The cooperatives, as simple links in state-ized economy, become the intermediaries and silent partners of petty bourgeois production. The *weakening* of collectivized economy is demonstrated by the fact that not merely is it incapable of eliminating artisan production by offering greater quantities of manufactured products of super quality and lower prices but that it is even obliged to *utilize* petty bourgeois production in order to relieve slightly the pressure of inflationary power on the consumer goods market.

By issuing to the cooperatives a kind of *license to act as intermediaries* between the producers of agricultural products, the bureaucracy is at the same time pursuing the policy of maintaining and increasing the stimulus for expanding agricultural production, and of favoring the distribution of "surpluses" over all of Russia. The cooperatives will buy the "surpluses" from the peasants and will thus save the latter having to take it to the city, cutting transportation costs and averting loss of time. They will at the same time be able to channel these supplementary supplies into famine-stricken areas, instead of keeping them concentrated in towns in the vicinity of the prosperous collective farms. Here, too, the bureaucracy admits implicitly that it is unable to collect these surplus products, and, above all, that the peasant *prefers* to make deliveries to intermediaries who appear as more or less "private" traders rather than make deliveries to the state, even at the same prices. Not only objectively but also subjectively, that is, in the consciousness of the peasant population, petty bourgeois production appears as an indispensable complement to state-ized economy, and even inspires more confidence than the latter does.

The production figures set for the cooperatives may appear modest in the light of the needs of the Soviet population. But reflections of this sort do not take into account the principal fact, namely, that this production is intended *exclusively* for

the free market, that is, a market which with rare exceptions remains inaccessible to three-fourth of the population. It is here that the corollary function of the decree on cooperatives and of the decree on wages and prices appears. The absorption of inflationary purchasing power, revalued on September 16 as a forthright concession to the well-to-do peasants, will be achieved, in the spirit of the Stalinist government, through artisan activity. It ought to be added that the increasing pressure by the workers will compel the bureaucracy to direct an ever larger part of consumer goods not toward the "commercial stores" but toward the factories, in the shape of distributions at cheap prices.*

9. Inflation

Inflation, arising from the disorganization of Soviet economy during the war, becomes in its turn the principal brake upon the restoration of adequate planning. We have already seen the effects of inflation on the living standards of the workers; it has caused a substantial reduction in real wages. We have also seen how the purchasing power created by inflation provoked in its turn an expansion of individual artisan production. On the road toward the "stabilization" of the ruble, which is still hypothetical, the bureaucracy was driven to accede to the emphatic demands of the well-to-do peasants, while at the same time trying to tear away from them land areas which they had appropriated during the war. It now remains for us to examine the decisive role played by inflation in the domain of state-ized economy.

A superficial examination of prices leaves the impression of a perfect stability. Indeed the *selling prices*, fixed by the state, of industrial enterprises remained practically unchanged during the war. But this stability is entirely fictitious. The *costs* have soared to quite obvious inflationary heights. This arises from a multiplicity of causes: the drop in labor productivity, the disorganization of the transport system, the general rise in costs, the increased looting by the bureaucracy, the wearing out of machines, failure to repair them, and so on. A second increase in resale prices results this year from the raising of minimum salaries in industry.

We have very little data concerning the amplitude of this increased cost, but Schwartz's book, which we have already cited, contains the following figures for the building industry: in relation to 1940, production costs in 1944 had increased by 31.30 per cent in bricks; by 20 per cent in hewn stone; by 44 per cent in sandstone and by 26.5 per cent in timber. In order, in the first instance, to *maintain* the sale prices, in face of these increased costs, and in order to keep inflationary pressures as low as possible, the bureaucracy was compelled, doubtless counter to its own desires, to resort to two measures. First by reducing and then even eliminating the profits of the industrial trusts. This clearly appears from a comparison of taxes on the industrial profits, a component part of the Soviet state budget:

TAXES (IN BILLION RUBLES)			
1939	1940	1945	1946
17.6	22.4	16.8	16.0

*At the same time that the Soviet government took the measures relating to the cooperatives, it decided to increase the plan figures for 1947 with regard to the means of consumption. Concurrently there came news of strikes in the Kuznets Basin, Stalingrad and elsewhere. Thus, in 1947 alone, 1,346,000 new spindles will be placed in operation, while the total envisioned originally by the Plan amounted to 2,860,000 spindles.

Taking the inflation into account, we may estimate, without falling into error, that industrial profits have dropped to one-third of their prewar levels.

At the end of their tether, the enterprises began *raising their sales prices* in 1946, despite the government's cries of alarm. One after another, the trusts began demanding higher prices for their products, which led to a general price rise. This increase appears most clearly under the mounting *turn-over tax* in the Soviet budget. Whereas during the war the total of this tax dropped to half of its pre-war level, denoting the formidable decline of Russian production, it was swollen in 1946 to 200.8 billion rubles, as against 92.6 rubles in 1939, while the *quantity* of the products on which this tax is levied dipped to less than *half* of the 1939 amount. (The budget figures were published in *Neue Zuercher Zeitung*, November 16, 1946.)

The extremely dangerous increase in cost prices was recognized by the bureaucracy in two ways. *Explicitly*, as was, for example, the case in the speech delivered in mid-October before the Supreme Council by the Minister of Finance, Zverev. His speech took note of the fact that soaring prices became manifest in the sector completely state-ized at a time when there was observable a considerable decline in the "free" market. This was also recognized *implicitly* in the systematic campaign unleashed by the Soviet press for raising the productivity of labor. "*More Production Per Capita and Per Year*"—that is the principal demand of the State Planning Commission's report at the beginning of 1947. (*The Observer*, March 2, 1947.)

It is not hard to understand the degree to which inflation *undermines* the planning. It was inflation that forced the bureaucracy to accept a "parallel" circuit of goods alongside of the planned circuit. It was likewise inflation that compelled the bureaucracy to proceed to a constant *revision* of the objectives and of financing, in the same measure as the tendency toward the *uncontrollable* soaring of prices, which is beginning to manifest itself in Russia, renders planning virtually impossible. Under the conditions of muffled inflation, that is occurring in Russia, the problem of *investments* and of financing becomes extremely complicated. Taken as an entity, Soviet economy permits investments only in the measure that there is a reduction in the share of the masses in the distribution of the social product, that is, their consumption. On the financial plane, this finds expression in the fact that investments are being financed less and less by taxes on profits, while the turnover tax, which is levied on an ever smaller mass of consumer goods, has swollen to monstrous proportions. On this road, the bureaucracy quickly runs up against the *physical* limits of human endurance.

It would nevertheless be erroneous to conceive of Soviet inflation as a replica of the inflationist tendency that manifested itself in capitalist countries following the first and second world wars.* In these countries, inflation has its origin in the self-same manifestations of scarcity of consumer goods and of expansion of paper currency issued by the state to meet its expenditures. But this inflation received, after the termination of hostilities, a new impulsion owing to the "boom" in

the sector of the means of production. This "boom" entails a general rise in prices, followed first by a stabilization, and then by a price decline in consumer goods. Despite appearances, we are witnessing an *inverse* process at work in the USSR today. It is not an increased demand for means of production that provokes price rises, but on the contrary it is the scarcity of the means of consumption that is at the bottom of the decline of labor productivity. The rehabilitation in Russia cannot be carried out except under conditions of low prices or of relative stabilization. Soviet "prosperity," in contrast to capitalist prosperity, has as its condition a low price level and not a high one. This specific character of the Soviet crisis brings us to pose in conclusion the problem of the specific causes for the Soviet crisis.

10. The Soviet Crisis

The Soviet crisis is not simply a crisis of re-adjustment and reconversion, as is represented by many bourgeois economists, "liberals" and Stalinophiles. It is, at bottom, a veritable *crisis of the regime*, and this in a twofold sense. It is a crisis of the regime of planned economy, to the extent that large scale destruction of the technological base of planning has provoked a massive return to individualistic forms of production. It is a crisis of the *bureaucratic* regime, of *bureaucratic* planning, to the extent that the absence of any equilibrium between the means of production sector and the means of consumption sector coupled with the absence of any control by the mass of producers results in a more and more accelerated decline in labor productivity.

It is unquestionable that the war and the vast devastation it wreaked upon the key regions of Soviet economy is, in the first instance, responsible for the present *acuteness* of the Soviet crisis. Doubtless it is likewise difficult to place upon the bureaucracy the responsibility for the terrible drought; it is rather necessary to note that the progress made in the development of productive forces in relation to Czarist economy and the economy of the NEP period has tended to restrict the scope of the disaster, as compared to what happened in 1891 or in 1921. But it nonetheless remains true that the sum aggregate of these extra-economic factors did nothing except *reinforce* and accentuate a tendency that has been operating in Soviet economy for many years before the war: the bureaucratic regime becomes more and more of an insurmountable obstacle in the way of solving the current problems of Russian economy.

The development of the productive forces was realized in the period of the ascent of capitalism through the cyclical movement of production, resulting from the accumulation of surplus value produced by the frenzied chase for profits; it cannot be achieved within a post-capitalist society except through an impetus toward increasing of labor productivity and the improvement of the technique of production. This demands at a certain stage not only the enthusiastic cooperation of the mass of producers but also their conscious and coordinated intervention in the process of production. During the period of the first two Five-Year Plans, the bureaucracy was able to replace this motor force by borrowing foreign technological processes and by stimulating individual output. A relative rise in the living standards of the masses, even if exceptionally slow and disproportionate with the over-all increase in production, permitted the bureaucracy to surmount the essential stages of industrialization as such. The new profound decline in the living standard of the proletariat, however, undermines com-

*I refer here to "normal" capitalist countries and to inflation which is produced on the basis of the "normal" mechanism of the economic laws. Run-away inflation which erupted after World War I in Germany and after World War II in Hungary, Rumania, etc., is a phenomenon that requires an independent study.

pletely the foundations of this policy. After having intensified his exertions first because of ideals and later because of self-interest, the Soviet worker cannot be constrained to exert himself except by means of terror. The fearful growth of the role of forced labor in Soviet economy—correctly noted by D. Logan in his article “Explosion of Bureaucratic Imperialism,” with whose conclusions, however, we do not agree—is a graphic indication of the downward trend of the productivity of labor in Russia. The current remedy of the bureaucracy—cutting “normal” wages below minimum subsistence levels—is far removed from a solution to this problem, and tends, on the contrary, to render it more insoluble, to the extent that it brings greater pressure to bear upon the workers to procure supplementary resources outside the framework of planned economy.

The same thing holds true of technical progress as such. The objective comparison of technical procedures, the progressive substitution of methods requiring smaller expenditures of labor for those which require greater expenditures, is possible only through *disinterested* research, that is, in the final analysis, through the constant control of the masses over the directing personnel. The bureaucracy has been compelled to acknowledge that the chase after *personal gain* today constitutes the main stimulus for the industrial cadres. This cannot provoke anything else but the plundering of the economy’s resources and the squandering of the productive forces, that is to say, a further lowering of labor productivity. When we consider the problem in all of its aspects, we cannot but arrive at one and the same conclusion: the elimination of the bureaucracy is the sole means of permitting a new and decisive progress of planned economy.

Stalin’s New “Three-Year” Plan for Agriculture

By JOHN G. WRIGHT

The Fourth Five-Year Plan for Soviet agriculture, which officially went into effect in January 1946, has been scrapped by the Kremlin. While ostensibly the original Plan still remains in effect, it has now in reality been superseded by an emergency plan which specifically covers only three years, the current year, and the next two years, 1948 and 1949. This far-reaching change was made at the secret sessions of Plenum of the Central Committee of the Russian party held “sometime” in February in Moscow.

In decreeing this substitute plan for agriculture all of the constituted governmental bodies were by-passed. Measures of such scope are customarily presented in the name of the *Gosplan* (the State Planning Commission) and submitted to the Supreme Council for rubber-stamping. This procedure was arbitrarily dispensed with. Similarly ignored was the Council of Ministers in whose name all of the recent important economic decrees have been issued. The report to the Plenum, on the basis of which the emergency measures were adopted, was submitted not by Benediktov, the incumbent Minister of Agriculture, but by Andreyev, member of the Politbureau, who was appointed several months ago as head of the extraordinary “Board for Collective Farm Affairs.” (This Board has in effect supplanted the Ministry of Agriculture, which has now been reduced to a completely subordinate body.) It is noteworthy that Andreyev, who today plays so prominent a role in connection with “restoring” and “safeguarding” the collectives, was one of the key figures in the program of “wholesale collectivization” dur-

Does this mean that the bureaucracy will be incapable of surmounting the existing and especially acute phase of the crisis? It would be imprudent to assert this. Having gained a breathing spell of a year and a half through the systematic pillage of its “strategic buffer zone,” the bureaucracy now confronts the peasant threat with an industrial potential which is, despite everything, far superior to that of 1927; the absence of assistance from without will find its expression in the fact that the bureaucracy will once again try to unload the burdens of reconstruction on the backs of the Soviet masses. The problem of the solution of the *immediate* crisis becomes essentially a *social and political* problem. Although Russia passed through a very grave crisis toward the autumn of 1946, and although numerous reports have come of a strike wave such as was not seen in Russia for two decades, we lack any concrete indications that would enable us to answer the question of whether or not the Russian proletariat will find in the immediate future sufficient moral resources to launch a cohesive resistance against the pressure of the bureaucracy and of the peasantry. Just as on the world scale, there is henceforth a race between the tempo of the revolutionary regroupment of the proletariat, on the one side, and the tempo of the stabilization and the transition to a total offensive by the conservative forces on the other. The role of the Bolshevik-Leninist vanguard consists, in Russia as throughout the world, in speeding up by its conscious intervention this process of regroupment and revival of the revolutionary class consciousness of the proletariat.

Translated from the French by Margaret Stewart.

March 15, 1947.

ing the Thirties. The situation must be critical indeed for Stalin to skip over the entire elaborate state machinery through which he has operated in recent years!

The text of the decision adopted by the February Plenum entitled, “On the Measures to Build Up Agriculture in the Post-War Period,” was published in the columns of the press, with *Pravda* devoting to it practically its entire issue of February 28. This likewise marks a sharp departure from recent procedure: since the termination of hostilities, texts of all important economic decrees, especially those relating to agriculture, have been deliberately kept out of the press.

In addition, let us note, the text of the Plenum decision, which has the force of an emergency law, is far more informative than other similar documents have been, even though its statistical section remains, as usual, extremely hazy, designed to obscure rather than to reveal the actual state of affairs.

Rare Frankness

But what the Kremlin does not and cannot any longer hide are conditions in agriculture and the terrible impact of last year’s drouth that literally pose point-blank the question: Has Soviet agriculture collapsed as a direct consequence of the war and the 1946 famine crop?

In the light of admissions contained explicitly and implicitly in the new measures, it is hard to answer this question in the negative.

The Fourth Five-Year Plan set as its goal the expansion of

the "total farm produce in the USSR," by an over-all increase of 27 per cent by 1950, which requires an average annual increase of about 5 per cent over pre-war levels.

The new project postpones all talk of "surpassing" pre-war figures and instead designates the next three years—1947, 1948 and 1949—as the minimum period during which agriculture must be *pulled-up* to pre-war production. Assuming that this new target is achieved, this would leave only one year of the original Plan—1950—in which agriculture could conceivably be expanded beyond levels previously attained.

Analyzing the Fourth Five-Year Plan (see, *Fourth International*, September 1946), we concluded: "The claim that by 1950 the annual harvest will 'be increased by 27 per cent above the 1940 figure' is nothing less than fantastic." Now we report a claim by Stalin, even more fantastic in the light of the facts, namely, that this *original* goal can still be achieved not "by 1950" but solely and simply "in 1950."

This shameless lie is uttered in the face of Stalin's own acknowledgment that the *best* perspective he sees himself for Soviet agriculture is—a return to 1940 levels—by 1950! If a condition of agriculture that requires for its restoration virtually the entire period of a Five-Year Plan does not mean a breakdown, then what does it mean?

As a matter of fact, the text of the February 1947 Plenum resolution states that sown areas, crop yields, labor productivity, harvests, agricultural equipment, tractor personnel, and so on have dropped "considerably below pre-war" in every branch of agricultural production without exception—from grain and other cereals, through animal husbandry and fodder to industrial crops (cotton, sugar beet, flax fiber, etc.).

Just how far Soviet agriculture has declined since 1940, still remains a jealously guarded secret of the Kremlin. It is admitted, however, that there are acute shortages in draught animals, all types of cattle, all types of tools and machinery, especially tractors and combines, all types of fertilizer, skilled and unskilled labor, and everything else. It is admitted that only 75 per cent of the pre-war cultivated area in the devastated western provinces has thus far been replanted. It is further admitted that the "government uncovered major shortcomings" in Siberia, the Urals and Kazakhstan, the Eastern granary of the USSR (*Pravda*, April 6). The flax crop has been only half of what was anticipated. Cotton plantations in Central Asia were permitted to run to weeds, or converted into rice plantations. Similar conditions prevail in tobacco, sunflower seed, rubber-bearing plants, etc., etc.

That the decline has been nothing short of disastrous is corroborated by the involuntary admission that millions upon millions of acres have been withdrawn from cultivation and must be replanted if Soviet agriculture is to recover. Thus the new plan calls for sown areas to be increased in 1947 by 6.3 million hectares (in the collectives by 5.7 million hectares); and in 1948 by an additional 6.1 million hectares (of which 5 million are allocated to the collectives). This makes a total, for the next two years alone of 12.4 million hectares, or 30.6 million acres (the increased acreage projected for 1949 is passed over in silence by the architects of the new plan). Here, then, we have the minimum figures by which the cultivated area has declined since 1940. This huge acreage (equal in size to one-half of the cultivated land in all of Canada) amounts to 10 per cent of the total cultivated area in the Soviet Union. The actual figure of land withdrawn from production is unquestionably far higher. In any case, even the officially acknowledged decline reveals the grim situation, which is complicated still further by the terrible drouth of 1946, by the

declining crop yields and the universal scarcities.

This dwindling of cultivated land expresses most strikingly the extent to which the technological foundation of Soviet agriculture, that is, its mechanized equipment, has deteriorated in wartime. The backbone of collective farming is the tractor. The shortage of draught animals renders tractor production all the more imperative. It is precisely here that the ravages of war have struck most deeply and lastingly. 137,000 tractors are listed among the official war-losses. The Fourth Five-Year Plan called for the production of "no less than 325,000 tractors" in 1945-1950. Such an output would have permitted the war losses to be covered in the space of two years, i.e., by the beginning of 1948.

The Deficit in Tractors

But production of tractors has fallen far below even the most pessimistic expectations. Resumption of tractor production has proceeded at a snail's pace. Tractor production at the present time is half of what was originally envisaged, and less than one-third of the pre-war levels. This is obvious from the new plan targets. It now calls for the delivery of only 34,000 tractors in 1947, and hopes to double this figure by 1948 (the 1949 target is not even mentioned). At such a projected rate of production, the war losses cannot possibly be made until as late as 1949.

It inescapably follows that very few new tractors were delivered to agriculture last year. For if the target delivery for 1947 is 34,000 tractors, no more than a fraction of this number could have been made in 1946. Comrade Germain, in his brilliant analysis of Soviet economy in 1946, estimates that tractor production last year could not have gone much above 30,000. It is now an official Stalinist boast that this year "farms are to be supplied with from two to three times as many tractors and other agricultural machines and implements as last year" (*USSR Information Bulletin*, published by Soviet Embassy in USA, vol. VII, No. 6, pages 9-10). This would fix the 1946 tractor output at from 11,000 to 17,000, a figure that is in all likelihood much closer to the actual one, than higher estimates.

In view of this situation, whether the 1947 output comes up to expectations or not, it is certain that the overwhelming bulk of the war-losses will not have been made good in time for sowing and harvesting of the 1947 spring crops. If 20,000 new tractors are supplied by June of this year, it would be far above the official anticipations. This cannot fail to affect the crop yields adversely. Should dry spells again ensue, under the famine conditions that already prevail, a catastrophe of unimaginable proportions would be precipitated.

Will it perhaps be possible to restore the war-losses by 1949? The Kremlin obviously is pinning all its hopes on precisely this perspective. It banks on squeezing by the year 1947 with 34,000 new tractors and then plans to cover the deficit with an additional 67,000 tractors in 1948. From the statistical standpoint, a solution seems to be within reach by 1949. But between these latest Stalinist statistics and the actual course of developments lie a great many unknowns. Let us single out only two of the most important factors.

In the first place, neither in 1947 nor in 1948 will agriculture have the necessary technological means for full-scale restoration. Just as the current tractor production cannot possibly be available except in part for spring sowing and harvesting, so, at best, only one-half of the projected 1949 tractor output will be available in the spring of 1949 (the remainder will roll off the production lines only in the fall and winter).

The question therefore actually poses itself as follows: Will it be possible, under these conditions, to achieve relative stability in agriculture during the next two critical years? As we have seen, this is by no means assured even from a purely technical standpoint. Adding greatly to this uncertainty are social and political factors that are undermining the entire collective farm system. It is evident, in any case, that the greatest obstacles to be surmounted in agriculture lie ahead and not behind.

Secondly, this minimum tractor output, for 1947 and 1948 alike, is not at all assured, even if all the resources are marshalled behind the effort, as the Kremlin will doubtless do. Tractor production is so low because labor productivity has sharply declined. It is virtually impossible to raise labor productivity under conditions where the workers are not guaranteed even their bare minimum of subsistence. But to remedy this situation it is first necessary to restore agriculture. The Kremlin has little immediate prospect for breaking out of this vicious circle.

Moreover, tractor production is so low because none of the major plants has as yet been fully re-equipped and reconverted to peacetime production. This grim news is implicit in the text of the February Plenum resolution which calls for the *completion* of all "construction work" in the Altai, Stalingrad, Kharkov, Vladimirsk and Lipetsky tractor plants only by the "first part of 1948." This means that the reconstruction of the Stalingrad and Kharkov plants will not even be completed this year. The Altai and Vladimirsk plants are new ones that were supposed to have gone into operation last year; the Lipetsky plant, another new one, was scheduled for production this year. The old Chelyabinsk plant has only recently resumed the produc-

tion of tractors. The other major Minsk plant is still under construction; it is to "be completed" by the first part of 1948; and to "be placed in operation" by the latter part of 1948. All this is hardly reassuring. It is quite easy—on paper—to double the output of plants which are either in process of construction or not even yet in operation. But achieving this in practice is an entirely different matter.

Translated into the language of economics, Stalin's new "three-year" plan for agriculture means that ahead lie at least two more years of acutest crisis for the collective farm system as a whole, and, consequently, two years of crisis for Soviet economy as a whole, which cannot possibly be stabilized unless and until its agricultural sector is rehabilitated.

This unfolding crisis cannot fail to entail ever sharper political and social consequences. The instability of the Stalinist regime, which the economic impasse expresses so eloquently, will tend to aggravate the political and social consequences, which in their turn, will render the position of the ruling oligarchy more and more untenable. This is the only realistic perspective for Soviet development in the next period.

A Correction

In the April 1947 issue of our magazine (page 113) an unfortunate typographical error completely altered the meaning of an important sentence in Ernest Germain's article, "Jewish Question Since World War II." The text as printed, reads as follows:

"Fundamentally, however, they do not make the destiny of the Jews any more dependent on a victory or defeat of the proletariat than is the case with the people of Russia or of China."

It should read:

"Fundamentally, however, they do not make the destiny of the Jews any less dependent on a victory or defeat of the proletariat, etc."

The Return of de Gaulle

By N. HENRI

PARIS, April 18—General de Gaulle has announced the creation of the "Rally of the French People" (RPF). He has proclaimed himself its leader, appointed a general secretary and made an appeal for membership. Up to the present there is no precise information as to the structure of the new organization. In any case its inception does not have anything democratic about it. Its aim, however, is quite precise.

It aims at creating "a cohesive state, concentrated and orderly" in which power is derived "from the country and not from the parties" and in which "all insoluble conflicts are settled by the people itself."

In foreign policy, de Gaulle purely and simply threw overboard his old ideas concerning a "grandeur" that was not to be shared. He abandoned his old attitude of balancing between the powers and resisting them in the name of France, which would not give anything to anybody. In the presence of the U.S. ambassador he answered Truman's appeal: "The United States and France," he declared, "will always be in agreement to oppose any new tyranny."

Bonapartism here does not seek to camouflage itself. De Gaulle wants a totalitarian regime, without political parties, in which he shall be the plebiscitary leader approved from time to time by referendum, a regime in which there

will be a strong state directed against the working masses. That is the only out for decrepit French imperialism. The General's declaration maintains a reserved silence as to the means to be employed by the RPF for the enforcement of its program.

The movement has been launched with a great beating of the drums, with the unconcealed support of American imperialism and there are already gathering around the troops of reaction the enraged petty bourgeois, among them a certain number of political adventurers. This may eventually prove to be bad business, but for the moment there seems to be no lack of funds.

The big party of the Fourth Republic, the Popular Republican Movement (MRP) which senses the threat most keenly, is in search of a "formula." There have been suggestions of a new electoral law, of new elections which would bring about a more governable Parliament, and somehow avert coup d'état and civil war.

Stalinists and Socialists are denouncing the Bonapartist adventurer without making mention of the fact that it was they who created the legend around him, who turned over the power to him at the time of the "liberation," and who served as his Ministers for 18 months. Even today, their denunciations remain purely verbal, while their politics continue to pave the way for

the General. They continue to undermine the economic struggle of the workers, the chief means of counteracting the plans of the capitalists. They do not at all seek to make clear that de Gaulle is the man chosen by Big Business in France. They do not attempt any real mobilization of the masses. "Committees of Vigilance" have been created here and there, but insofar as the Stalinists at their head are concerned, they are to be nothing but new editions of the same old People's Front top combinations. Nor is there any idea of reviving the workers' militias. (Thorez dissolved them two years ago in payment to de Gaulle for the latter's signature of a treaty with Moscow.) Finally, they are continuing their collaboration with the bourgeoisie in its shaky cabinet, and refuse to call upon the masses to create a Workers' and Peasants' Government which, basing itself upon them, could quickly put an end to de Gaullist agitation.

The workers of France are watching this new attempt by de Gaulle to carry through an operation previously attempted by la Roque and later on by Petain. Their old leaderships have learned nothing. But the workers have certainly learned something from their experiences and in the coming struggles, we can be sure that they will prove it.



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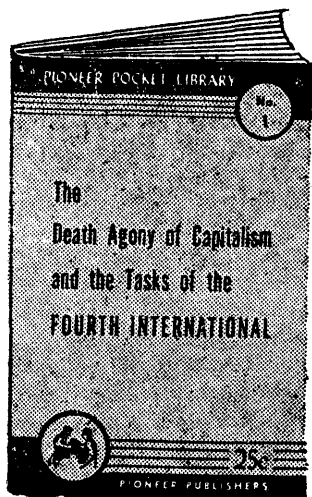
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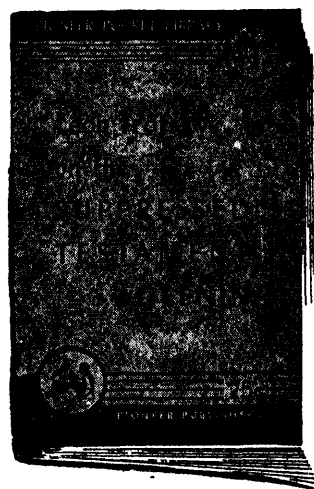
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